



Departmental Submission

Date:	31 July 2013	File ref:	-	DOCDM	1251105
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Minister of Conservation

Subject:	TUKITUKI CATCHMENT PROPOSAL – DOC SUBMISSION TO EPA
Action Sought:	Note the actions taken by the Department
Deadline:	Submissions on Tukituki Catchment Proposal close with EPA on Friday 2 nd August 2013

Paper Type: (Cabinet, Statutory or Other)		Dept's Priority: (Very High, High, Normal or Low)	High
Risk Assessment: (e.g. possible negative reactions/consequences)	Possible negative relationship risks	Level of Risk: (High, Medium or Low)	Medium

Contacts for telephone discussion (if required)			
	Name	Position	Telephone
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Executive Summary

The Environment Protection Agency has publicly notified the Tukituki Catchment Proposal. This proposal consists of two key components; the improvement of water quality within the catchment through the control of periphyton using a one-nutrient management approach and the construction of a large scale irrigation scheme otherwise known as the Ruataniwha Water Storage Scheme.

In determining how best to engage in the EPA process, the Department considered the robustness of the nutrient modelling, the strength of the regulatory processes proposed and the conservation values at risk within the specific catchment.

After careful consideration of the proposal and its potential impact on the conservation values of the Tukituki catchment, the Department has chosen to only submit on resource consents relating to the Makaroro Dam Structure. The reservoir associated with the Makaroro dam will result in the inundation of 22ha of the Ruahine Forest Park. The inundation will affect terrestrial, and freshwater biodiversity, as well as recreational values within the Forest Park.

In focusing on the resource consents relating to the dam, the Department accepts a level of risk that the information provided by the applicant and the Hawkes Bay Regional Council is correct. The Department is also accepting that the nutrient modelling of the Tukituki catchment by NIWA and other subject matter experts is robust.

One-nutrient management is a new untested approach in New Zealand. The Department's internal subject matter experts have concerns sufficient management tools exist to monitor and review this approach. If adverse effects become evident later the ability through the regulatory process to respond in a timely matter is limited. The Department does not believe the conservation values at risk in the Tukituki catchment justify the resource investment that would be required by the Department to pursue changes to the regulatory process in this particular proposal.

Recommended Action

It is recommended that you—

- | | Minister's decision |
|---|----------------------------|
| (a) <u>Note</u> the Department's submission focuses on the Makaroro Dam Structure, due to the conservation values impacted by this structure. | (yes / no) |
| (c) <u>Note</u> the Department is not submitting on the one-nutrient management approach as the conservation values of the Tukituki catchment do not justify the resource investment required.. | (yes / no) |
| <u>Note</u> the Department will continue to assess future proposals which use the one-nutrient approach and where conservation values justify the effort, the Department may choose to submit. | (yes / no) |

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Doris Johnston
Deputy Director-General
Policy & Regulatory Services
for Director-General

..... / /
Nick Smith
Minister of Conservation

Purpose

1. The Environmental Protection Authority is currently considering the Tukituki Catchment proposal. You are asked to note the issues considered, and the proposed actions to be taken by the Department with respect to submitting on this proposal.

Background

2. The Environmental Protection Authority received an application from the Hawke's Bay Regional Investment Company for a notice of requirement and applications for 17 resource consents, for the Ruataniwha Water Storage Scheme. The Minister for the Environment and you as the Minister of Conservation have also called in the Hawke's Bay Regional Council's Proposed Plan Change 6, and directed the Proposed Plan Change, notice of requirement and the applications for resource consent be considered as one proposal of national significance, the Tukituki Catchment Proposal.
3. The Tukituki Catchment Proposal consists of two key components; the improvement of water quality within the catchment through the control of periphyton using a one-nutrient management approach and the construction of a large scale irrigation scheme. Both affect conservation values, with impacts from the proposed Makaroro being the most significant.
4. It has been decided that the conservation values within the Tukituki catchment are medium. While there are 18 native fish species present and eight are considered to be 'at risk' and declining, no species present are considered to be threatened. Tukituki Estuary is considered to be national important for fisheries and numerous threatened and at risk species use the estuary.

Issue: One-Nutrient Management Approach

5. The approach of managing periphyton growth by managing one nutrient where this is shown to be the limiting nutrient is a relatively new approach. This approach is untested across a wide catchment and its long term success is unknown
6. The Department does not oppose, in principle, the approach of managing periphyton growth as an environmental indicator to protect freshwater values; and does not oppose in principle the management of periphyton biomass by managing one nutrient where this is shown to be the limiting nutrient, provided sufficient management tools are available to monitor and review this approach.
7. Each proposal using a one-nutrient approach needs to be individually assessed to determine the robustness of the nutrient modelling, the strength of the regulatory processes proposed and the conservation values at risk within the specific catchment.
8. Though the Department has chosen not to submit on the one-nutrient approach, the Department's internal subject matter experts do have concerns that there are not sufficient management tools proposed to monitor and review the success of this reasonably new approach and that if adverse effects become evident the ability through the regulatory process to respond in a timely matter is limited. However, the Department does not believe the conservation values at risk in the Tukituki catchment justifies the resource investment required by the Department to pursue changes to the regulatory process proposed in the Plan Change.

Issue: Makaroro Dam Structure

9. After careful consideration of the proposal and its potential impact on the conservation values of the Tukituki catchment, the Department has chosen to only submit on resource

consents relating to the construction, operation and maintenance of Makaroro Dam Structure on the Makaroro River at Wakarara. The proposed reservoir associated with the Makaroro dam will result in the inundation of 22ha of land administered by the Department, being part of the Ruahine Forest Park. The inundation will affect terrestrial and freshwater biodiversity values, and recreational (including access) arrangements within the Forest Park.

10. The inundation and blocking of fish passage that will result from this activity will require authorisations under the Conservation Act 1987 and the Freshwater Fisheries Regulations 1983, and the Department will be working through these processes with the applicant. At the time of lodging this submission, no final decisions have made. It is expected that the Board of Inquiry will be interested in DOC's internal processes and with the Department being present, we will be able to answer these enquires.
11. Furthermore, the Applicant, in consultation with the Department, has proposed a mitigation package to address the inundation of the land administered by the Department and the impacts on the dam structure on terrestrial and freshwater species. The Department is interested to be involved in any discussions through the EPA process regarding this mitigation package that may result in it being modified.

Cost Implications

12. The number of internal staff and external experts required was a significant consideration when determining what components of the Tukituki Catchment Proposal the Department will submit on. By submitting on the resource consents relating to the dam, it has been determined that this work will be done from existing resources.

Consultation

13. The Department has worked the Applicant and the Hawkes Bay Regional Council in reviewing the details of the application. We have also discussed with the Ministry for Primary Industries.

Risk Assessment

14. There is a board medium risk to the Department that by choosing not to fully engage with the EPA process, and test the science behind the one-nutrient management approach , that external conservation interests groups may be critical of the Department (both directly with staff and through the media). Many externals believe this proposal may set a national precedent for future freshwater management in New Zealand. The Department, however, has chosen it's stance based on the conversation values at risk within this specific catchment. The Department will continue to assess future proposals which use the one-nutrient approach and where conservation values justify the effort, the Department may choose to submit.

Attachments

15. Please find attached
 - a. Draft submission to the EPA, as at 31st July 2013.

ENDS

