

## 7. PROPOSED NATIONAL ENVIRONMENTAL STANDARD ON DRINKING WATER SOURCES

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| <b>Officer responsible:</b>         | City Water and Manager Waste                              |
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### PURPOSE OF REPORT

1. The purpose of this report is to gain Council approval of the submission on the Ministry for the Environment's proposal for a national environmental standard on human drinking water sources.

### EXECUTIVE SUMMARY

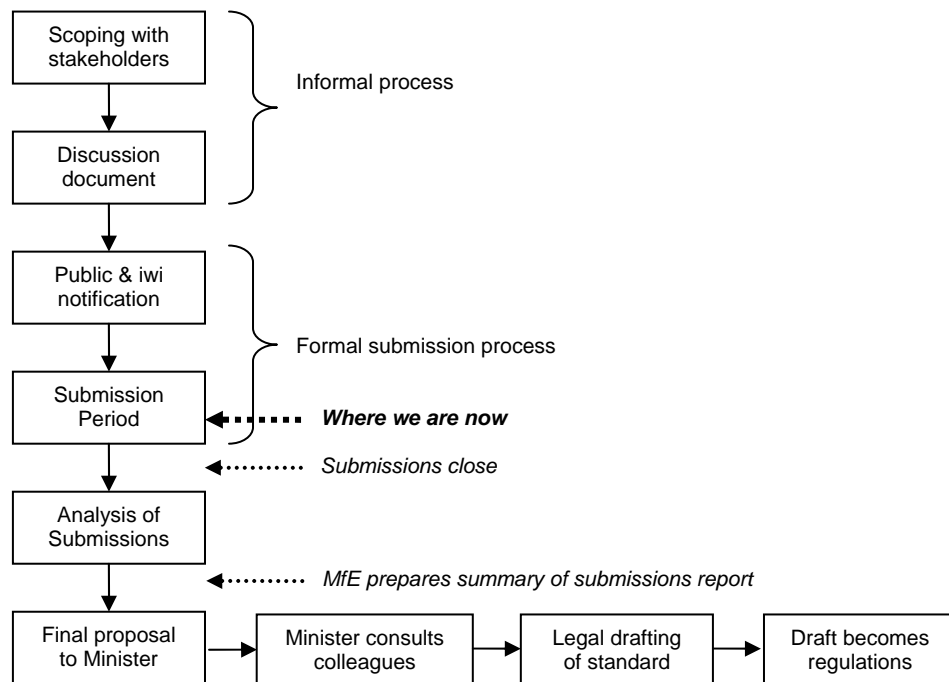
2. The Ministry for the Environment is proposing a national environmental standard (NES) for human drinking water sources, under the Resource Management Act 1991. The standard concerns activities within water supply catchments and is intended to avoid adverse impacts to human drinking water sources.
3. It is anticipated that the Council will be significantly affected by the proposed NES, in its roles as resource user, consenting authority and water supplier.
4. The Ministry is seeking comments on its proposal. Submissions closed on 28 November 2005, but a short extension of time has been granted to the Council. A draft submission is attached (Attachment A).

### STAFF RECOMMENDATION

It is recommended that the Council endorse Attachment A as the submission to the Ministry for the Environment on the proposed national environmental standard on human drinking water sources.

## BACKGROUND ON PROPOSED NATIONAL ENVIRONMENTAL STANDARD ON DRINKING WATER SOURCES

5. While there is a standard for drinking water quality administered by the Ministry for Health, there is none for managing the “catchment component” of human drinking water. The Ministry for the Environment (the Ministry) is seeking to close this gap through the introduction of a national environmental standard (NES) for human drinking water sources.
6. National environmental standards are legally enforceable regulations, which the Ministry has the authority to develop under the Resource Management Act 1991 (RMA). The standards development process is shown in the figure below.



## PROPOSED NATIONAL ENVIRONMENTAL STANDARD

7. The objectives of the proposed NES are:
  - Ensuring that resource consent applications include consideration of impacts to drinking water sources.
  - Improving information sharing between water suppliers, resource users, and regulatory authorities concerning the impacts of their activities on one another
  - Ensuring that regional councils periodically assess the impact of permitted activity rules on drinking water supplies
  - Ensuring that protocols are in place to protect drinking water supplies in the event of an unauthorised discharge
  - Ensuring that councils require appropriate action to be taken in the event of an accident or emergency
  - Clarifying the interface between legislations affecting drinking water, particularly Ministry of health and the RMA.

8. As shown in the figure above, the exact wording of the NES for human drinking water sources will not be legally drafted until after the public consultation process has closed and the Government has reached a decision on the contents of the NES. The Ministry summarises the essence of the proposed NES as follows:
- *New consents in drinking water catchments shall only be granted if the proposed activity does not result in drinking water being non-potable or unwholesome following treatment.*
  - *Consent authorities will periodically assess the risks within drinking water catchments to ensure that permitted and unregulated activities do not cause impacts beyond the performance of the affected treatment facilities.*
  - *Resource consents within drinking water catchments will have a condition that any unauthorised activity be notified to the water supplier immediately.*
  - *Resource consents to take water for drinking will have a condition that requires appropriate action, including turning off the supply, if notified of events or activities that make the drinking-water non-potable*
9. The discussion document provides little more than a brief overview of costs. The Council can expect to bear costs from the implementation and administration of the proposed NES as:
- a resource consent applicant, to take water;
  - a consenting authority, with permitted, unregulated and unpermitted activities under the City Plan; and
  - a water supplier.
10. The Ministry anticipates that costs for water suppliers would:
- Increase, owing to additional costs for consultation. Presumably this would include consultations with both consenting authorities and consent applicants, as well as possible negotiations with consent applicants where an activity is assessed as having a likely impact to a community drinking water supply.
  - Increase, owing to increased referrals for consents.
  - Decrease, owing to reduced costs for upgrading facilities. Council staff do not concur with this expectation. It is unclear how a reduction in costs would be achieved, particularly if, as a result of negotiations, changes to a water supplier's facilities were needed in order to render the drinking water potable and wholesome.
11. According to the Ministry, costs to local authorities are expected to:
- Increase, owing to costs to implement requirements for conducting reviews of permitted and unregulated activities for their effects on drinking water sources and modifying district plans if needed.
  - Increase, owing to additional work in evaluating assessments of environmental effects. It is expected that any increases in the cost of processing resource consents would be recovered from consent applicants. The Ministry has not taken into account that this work would duplicate work undertaken in local authorities' asset management plans.
12. Costs to resource consent applicants would likely increase, in the view of the Ministry, because:
- Applicants would need to identify whether the activity would have a significant effect on the drinking water supply.
  - Consenting authorities might need to adjust fees to cover their costs in meeting the standard's requirements for consent processing and review.

13. The Ministry for the Environment is seeking comments on a proposed approach to a national environmental standard (NES) for human drinking water sources. The deadline for submissions on the proposed approach for the NES is 28 November 2005.
14. The proposed NES has implications for several Council organisations, including the City Water and Waste Unit, the Planning Strategy Unit and the Environmental Services Unit. As such the draft submission (Attachment A) incorporates issues and concerns from these units.

#### **SUMMARY**

15. The Ministry for the Environment is seeking comment on approaches to a national environmental standard for human drinking water sources. The report prepared by staff (Attachment A) makes the following recommendations to the Ministry for the Environment:
  - that the Ministry re-evaluate the need for a national environmental standard focusing exclusively on human drinking water sources.
  - that the Ministry include a further consultation period once a final draft of the standard has been developed.
  - that the Ministry reconsider its approach to managing risks to drinking water sources and that it seek an amendment to the Resource Management Act, if needed, rather than continue development of a national environmental standard.
  - that the National Environmental Standard clarify that water resource management is the preserve of regional government and that it will fall to those governmental bodies to implement requirements in the NES that apply to consent authorities.
  - that the requirement in the National Environmental Standard for the issuing of a resource consent, when considering the effect of an activity on a drinking water source, be determined solely on the basis of fitness for human consumption (potability).
  - that cross-boundary considerations be included in the final National Environmental Standard.
  - that the Ministry give further consideration to the mechanisms by which water suppliers would be informed of "unauthorised releases" that could affect their drinking water sources.
  - that the Ministry evaluate the proposed National Environmental Standard against other legislation such as the Civil Defence Emergency Management Act 2002, not solely against the Resource Management Act, when determining the requirements to include in the proposed standard.
  - that the National Environmental Standard clarify the lines of communication and the processes to be followed between a consent applicant, the consenting authority and the water supplier.
  - that the National Environmental Standard clarify approaches to existing permitted and unregulated activities, where those activities may adversely affect drinking water sources.
  - that the Ministry clarify which governmental bodies will be responsible for designating drinking water catchments.
  - that the Ministry address the significant cost of identifying drinking water catchments in the analysis of costs and benefits.
  - that further consultation with affected stakeholders be conducted, once a full appraisal of costs and benefits has been completed, in concert with the further consultation recommended above.
  - that the NES apply only to resource consents for discharges and land use activities that have a demonstrated effect on water quality, and that further consideration should be given to capturing non-point sources of contamination, and activities for which no resource consent is required even though they may adversely affect water quality.