

11. CENTRAL PLAINS WATER TRUST RESOURCE CONSENT APPLICATIONS AND ASSESSMENT OF ENVIRONMENTAL EFFECTS REPORT

General Manager responsible:	General Manager Strategy and Planning, DDI 941-8177
Officer responsible:	Programme Manager, Healthy Environment
Author:	John McEwing

PURPOSE OF REPORT

1. The purpose of this report is to:
 - (a) Inform the Council of the issues, uncertainties and implications for Christchurch City (Christchurch and Banks Peninsula) that may be associated with the Central Plains Water Enhancement Scheme (the scheme) in relation to the Central Plains Water Trust (CPWT) resource consent applications.
 - (b)- Recommend a range of options for the Council to consider in respect of the Council's response to the above consent applications.

EXECUTIVE SUMMARY

2. This report sets out a range of options and a recommendation for the Council's consideration in coming to an agreed position with the CPWT resource consent applications.
3. These options and a possible draft submission have been informed by external consultant review of the document, *Central Plains Water Enhancement Scheme: Assessment of Environmental Effects for Resource Consent Conditions to Canterbury Regional Council, 23 June 2006* and a range of supporting documents. In terms of s.88 of the Resource Management Act 1991 an application for a resource consent must include "...in accordance with Schedule 4, an assessment of environmental effects in such detail as corresponds with the scale and significance of the effects that the activity may have on the environment."
4. From this review a presentation was made to councillors on 2 August followed by a subsequent meeting on 3 August with Councillors. A copy of the Council seminar presentation is attached in Appendix 2.

FINANCIAL AND LEGAL CONSIDERATIONS

5. Economic and financial considerations, in terms of the scheme, have been assessed and presented by KPMG. The conclusion of the KPMG analysis was:
 - *The economic and financial conclusions drawn in the documents provided have been determined using general high level assumptions derived from industry standard data or the combined experience of the advisors to the project, which have not been independently verified;*
 - *Further financial analysis will be required, however given the diverse potential environmental, cultural and social implications of this application, we are not entirely surprised that further detailed analysis has been deferred until the consent process identifies which issues are likely to require further financial input;*
 - *If conditional consents are granted, then the applicant will need to reassess the project's viability."*
6. There are uncertainties raised as a result of the review of the AEE by Pattle Delamore Partners Ltd. These relate to a number of issues, particularly water quality and water quantity, that may adversely impact on the city and Banks Peninsula and which are covered in the background to the report and the draft submission in Appendix 1 (attached).
7. Legal considerations have encompassed legal advice presented to Councillors on the options the Council has in exercising an agreed response to the CPWT consent applications – refer to Appendix 2 (attached), Presentation to Council seminar section by Aidan Prebble, Solicitor from Goodman Steven Tavendale & Reid.

8. Both CCC and SDC have raised a number of issues around governance which will be addressed in a report to a joint Council meeting.
9. The Council, in terms of coming to an agreed position on the resource consent applications, has a range of options. These are:

Option 1.

Not to lodge a submission on the CPWT applications.

Option 2.

To make a submission in support of the CPWT applications citing for example, economic, social, environmental or cultural benefits.

Option 3.

To make a submission in opposition to the CPWT applications and requesting that it be declined on specified grounds, which may include potential adverse effects in terms of groundwater water quality and quantity impacts on Christchurch City's water supply.

Option 4.

To make a submission, that is neither in opposition or support of the CPWT applications:

- a. Citing uncertainties as to potential adverse environmental and public health effects and;
 - b. Requesting that the granting of the consents be deferred until further information is to hand (as identified in the submission) which adequately addresses the uncertainties and potential adverse effects, and requesting that in the event of these issues and uncertainties not being satisfactorily addressed the applications for resource consent be declined.
10. Should the Council decide to adopt either Option 3 or 4 it needs to review and decide on the wording of draft submission as set out in Appendix 1. (Note: Peter Callender from Pattle Delamore has yet to comment on the draft submission related to the water quality and water quantity issues and the Council will be given an update on any suggested changes.)

STAFF RECOMMENDATION

It is recommended that the Council:

- (a) Adopt Option 4. and;
- (b) Agree the wording of a submission as set out in draft form in Appendix 1:

BACKGROUND ON CENTRAL PLAINS WATER TRUST RESOURCE CONSENT APPLICATIONS AND ASSESSMENT OF ENVIRONMENTAL EFFECTS REPORT

11. Resource consent applications lodged by the Central Plains Water Trust were publicly notified on 24 June 2006. The closing date for submissions is 5 pm Friday 18 August 2006.
12. The applications relate to construction and operational activities associated with a proposed irrigation scheme on the Central Plains between the Rakaia River and the Waimakariri River.
13. The proposal involves the abstraction of water from three points, one on the Rakaia and two on the Waimakariri Rivers, and use of that water for the irrigation of approximately 60,000 hectares of land. Delivery of this water is proposed to be through a distribution network of water races and channels and with storage at a proposed dam and consequent reservoir in the Waianiwanui Valley to provide stored water intended to discharge into the main headrace.
14. Associated applications for water takes involve the following:
 - A take of up to 40 m³/s of water from the Rakaia River at a specified map reference point, for irrigation and water enhancement.
 - A take of up to 40 m³/s from the Rakaia River at a different map reference point, for irrigation and water enhancement.
(Note: The combined take from the Rakaia River is not intended to exceed 40 m³/s.)
 - A take of up to 40 m³/s from the Waimakariri River, for irrigation and water enhancement.
15. These applications seek a term of 35 years.
16. The review of the AEE and supporting documents to the CPWT application for resource consent has highlighted a number of uncertainties and issues related to the potential impact of the scheme on the city, including:
 - The potential for increased risk of nitrate contamination of groundwater impacting on the city's existing drinking water supply. The uncertainty is based on a range of broad assumptions and few predictions of the temporal and spatial changes beyond the boundaries of the scheme area;
 - The potential for increased risk of groundwater contaminants, including nitrate, impacting on the water quality of Lake Ellesmere (Te Waihora) and the quality of future community water supplies for the city and Banks Peninsula communities. The issue here is that nitrate levels predicted in the AEE are unlikely to be diluted because the Lake Ellesmere catchment does not have any significant river recharge;
 - The potential for raised natural groundwater levels in Christchurch, which may impact on land use activities and the contamination of drinking water sources. The uncertainties relate to a relatively high variability to groundwater model simulations and the fact that modelling is at a regional scale and does not show modelled levels for the rural and urban areas of Christchurch City.
 - The potential effects on the Christchurch aquifer recharge. The uncertainties in this area relate to the AEE not providing any indication of seepage losses from the Waimakariri River bed during lower river flows and also the fact that the Waimakariri River seepage into the Christchurch aquifer system has not been clearly quantified.