

UNDER PRESSURE

Margo Perpick

RMLA Conference 2009

Session on Water Management



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OUTLINE

Proposed National Policy Statement for Freshwater Management

Proposed National Environmental Standard on Ecological Flows and Water Levels

Cabinet Paper – New Start for Fresh Water

Water Permit Trading under RMA

Draft Canterbury Water Management Strategy



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PROPOSED NATIONAL POLICY STATEMENT FOR FRESHWATER MANAGEMENT

Requires Regional Councils to notify Regional Policy Statements which:

- Guide and direct Regional Plans for:
 - setting Freshwater Quality Standards;
 - setting Environmental Flows and Levels;
 - restricting existing takes etc to sustain Notable Values;



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PROPOSED NATIONAL POLICY STATEMENT FOR FRESHWATER MANAGEMENT

Requires Regional Councils to notify Regional Policy Statements which:

- Guide and direct Regional Plans and District Plans to:
 - manage Land-use Development and discharges of contaminants;
 - manage demands for freshwater, including:
 - prioritisation of allocation of takes;
 - increasing resilience to effects of climate change;



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PROPOSED NATIONAL POLICY STATEMENT FOR FRESHWATER MANAGEMENT

Requires Regional Councils to notify Regional Policy Statements which:

- Guide and direct Regional Plans and District Plan to:
 - ensure integrated management of the effects of Land-use Development by:
 - encouraging co-ordination and sequencing of infrastructure for supply, storage and distribution of freshwater; and
 - controlling adverse effects on the quality and available quantity of Freshwater Resources



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PROPOSED NATIONAL POLICY STATEMENT FOR FRESHWATER MANAGEMENT

Requires Regional Councils to notify Regional Plans which:

- give effect to the RPS;
- set Freshwater Quality Standards and Environmental Flows and Levels;
- require that all water permits for Consumptive Use of fresh water granted after NPS include conditions for:
 - efficient use;
 - return of fresh water to Freshwater Resources



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PROPOSED NATIONAL POLICY STATEMENT FOR FRESHWATER MANAGEMENT

Requires Territorial Authorities to notify District Plans which:

- give effect to the RPS;
- includes rules to require land-use and subdivision consents granted after NPS to include conditions for:
 - protection against degradation of fresh water;
 - sustainable management of demands on fresh water
 - integrated management of the effect of Land-use Development and discharges on quality and quantity of Freshwater Resources



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PROPOSED NATIONAL ENVIRONMENTAL STANDARD ON ECOLOGICAL FLOWS AND WATER LEVELS

No actual Standard has been promulgated yet.

Discussion Document and Draft Guidelines for the Selection of Methods to Determine Ecological Flows and Water Levels were released for submissions in 2008.

MfE proposed process is that submissions will be analysed and Standard promulgated with no further opportunity for public input.



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PROPOSED NATIONAL ENVIRONMENTAL STANDARD ON ECOLOGICAL FLOWS AND WATER LEVELS

Objectives:

Ensure resource consent decisions on applications to take, use, dam and divert water are made in the context of:

- a clear limit on the extent to which flows and water levels can be altered;
- a clear specification of available water.

Reduce conflict and provide consistency on the appropriate technical methods used to assess the ecological component of environmental flows and water levels



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PROPOSED NATIONAL ENVIRONMENTAL STANDARD ON ECOLOGICAL FLOWS AND WATER LEVELS

Proposes to develop a NES which:

- sets interim limits on the alterations to flows and/or water levels in rivers, wetlands and groundwater systems for which there are no limits set in a regional plan;
- provides a process for selecting the appropriate technical methods for evaluating the ecological component of environmental flows and water levels



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PROPOSED NATIONAL ENVIRONMENTAL STANDARD ON ECOLOGICAL FLOWS AND WATER LEVELS

Proposed interim limits on alterations to flows and/or water levels in rivers, wetlands and groundwater systems:

- for those waterbodies which do not already have limits set in a regional plan;
- would apply until an alternative is set through the regional plan process



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PROPOSED NATIONAL ENVIRONMENTAL STANDARD ON ECOLOGICAL FLOWS AND WATER LEVELS

Proposed interim limits for groundwater systems – whichever is the greater of:

- 15% (for shallow, coastal aquifers) or 35% (for all other aquifers) of the average annual recharge as calculated by the regional council;
- the total allocation from the groundwater resource on the date that the standard comes into force, less any resource consent surrendered, lapsed, cancelled or not replaced



PROPOSED NATIONAL ENVIRONMENTAL STANDARD ON ECOLOGICAL FLOWS AND WATER LEVELS

Proposed interim limits for wetlands:

- no change in water levels, beyond the water level variation that has already been provided for by existing resource consents on the date the standard comes into force;
- intended to prevent any increase in the abstraction of water from wetlands unless provision is made in a regional plan



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PROPOSED NATIONAL ENVIRONMENTAL STANDARD ON ECOLOGICAL FLOWS AND WATER LEVELS

Proposed interim limits for rivers and streams:

- if mean flow of river/stream $\leq 5 \text{ m}^3/\text{sec}$:
 - minimum flow of 90% of MALF as calculated by RC; and
 - allocation limit of greater of:
 - 30% of MALF or
 - total existing allocation at date standard comes into force, less any resource consents surrendered, lapsed, cancelled, not replaced



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PROPOSED NATIONAL ENVIRONMENTAL STANDARD ON ECOLOGICAL FLOWS AND WATER LEVELS

Proposed interim limits for rivers and streams:

- if mean flow of river/stream $> 5 \text{ m}^3/\text{sec}$:
 - minimum flow of 80% of MALF as calculated by RC; and
 - allocation limit of greater of:
 - 50% of MALF or
 - total existing allocation at date standard comes into force, less any resource consents surrendered, lapsed, cancelled, not replaced



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PROPOSED NATIONAL ENVIRONMENTAL STANDARD ON ECOLOGICAL FLOWS AND WATER LEVELS

Proposed process for selecting the appropriate technical methods for evaluating the ecological component of environmental flows and water levels:

- Draft Guidelines produced by Beca, 2008 were available as part of the Discussion Document



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CABINET PAPER: NEW START FOR FRESH WATER

Renews commitment to production of NPS and NES

Main elements of the “new direction” include:

- an allocation regime that provides allocations to ecological and public values, and then maximises the return from the remaining water available for consumptive use;
- supplementary measures to address the impacts of land use intensification on water quality, and manage urban and rural demand



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CABINET PAPER: NEW START FOR FRESH WATER

Two-stage Allocation System signalled:

- first stage provides for public values through a largely planning based process;
- second stage uses other tools (which may include economic instruments) to provide for the allocation and transferability of the available water to its most valued uses – will need to operate within a well-designed regulatory framework



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CABINET PAPER: NEW START FOR FRESH WATER

Allocation System issues:

- transition into a new model, and potentially claw-back of over-allocated resources, because we need to move away from a first-in-first-served system that focuses primarily on environmental effects rather than most valued uses – likely to be contentious if there are winners and losers
- public apprehension about price-based measures or anything that resembles privatisation of water



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WATER PERMIT TRADING UNDER RMA

Transferability of Water Permits – provided for by s 136 RMA

2005 Amendments enabled transfers “for a limited period” ie, less than the remaining term of the consent

Water trading website: Hydrotrader.co.nz

A transfer to other than the consented site may be made within the same catchment or aquifer if:

- expressly allowed by regional plan; or
- approved by regional council on an application for transfer



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WATER PERMIT TRADING UNDER RMA

An application for transfer is considered as if it were an application for consent, ie:

- it could be publicly notified;
- it may be the subject of a hearing and appeal;
- different and/or additional conditions may be imposed on the consent as part of the transfer process



WATER PERMIT TRADING UNDER RMA

Any agreement to transfer a water permit must be conditional upon the transfer being granted by the regional council.

The agreement should also be conditional upon any conditions which may be imposed upon transfer being acceptable to both the transferee, and the transferor (even if the transfer is for a limited period).



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WATER PERMIT TRADING UNDER RMA

Examples of conditions which might be imposed upon transfer (and would remain in place even after the permit is transferred back to the original owner):

- annual volume limit;
- restriction in stream depletion effect, or effect on neighbouring bores;
- restriction in resulting contamination of water bodies;
- installation of monitoring gauges and reporting to Council;
- requirement to take part in adaptive management regime



DRAFT CANTERBURY WATER MANAGEMENT STRATEGY

Intention: “Reconfiguration” of water consents in conjunction with storage of water –

- to solve current problems of low water levels
- in streams and aquifers
- which cause water/environmental quality problems, as well as water reliability/quantity problems



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DRAFT CANTERBURY WATER MANAGEMENT STRATEGY

Tools: Water Allocation Regime + Charging Mechanism

- Water Allocation will take place through the planning and consenting processes
- Charging Mechanism to remunerate the investment in infrastructure and enable supply and demand to be managed in an efficient and effective manner
 - both fixed price and variable price (ie volume based) contracts are options
 - may apply to existing consent holders



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DRAFT CANTERBURY WATER MANAGEMENT STRATEGY

Water Use Efficiency Improvements – key processes identified:

- reallocation of water that is being used inefficiently;
- transfer of water permits;
- a brokering system that would allow inefficient or unproductive use of water to be bought out and the water reallocated for environmental purposes or for more efficient irrigation uses



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