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New evidence being presented at CPW hearing

The environmental case in support of the proposed Central Plains Water (CPW) irrigation scheme is much stronger than it was 12 months ago and has been bolstered by recently completed scientific investigations, says CPW Limited chairman Pat Morrison. The scheme's resource consent hearing commences in Christchurch on Monday 25 February at the Christchurch Town Hall and will convene periodically over the next five months.

"We've been working towards this hearing for eight years and we are looking forward to outlining the benefits of the scheme and to correct some of the misunderstandings that have been reported about its effects on the environment," says Pat Morrison.

Among the benefits Pat Morrison cites are:

- Increased groundwater volumes in and around the Central Plains water scheme area (resulting in a rise in the currently depleted aquifer levels)
- Increased flows in lowland streams including the Selwyn, Irwell, Heathcote and Avon.
- With 70% of Christchurch's export income coming from Canterbury's rural sector and with Canterbury farmers spending around \$750 million every year on goods and services provided by Christchurch businesses, it's not just the shareholders who will benefit from irrigation, but all of Canterbury.

"None of these benefits would accrue from alternative, smaller schemes such as those currently competing with CPW for rights to take water from the Waimakariri and Rakaia.

"If you believe in climate change, drought is going to become a regular occurrence on the East Coast of New Zealand. Also, because our scheme has water storage, the environmental benefits of being able to irrigate land during drought are obvious. Without the merciful drenching we had in the last few weeks, central Canterbury would have turned into a dustbowl by the end of summer with a high fire risk and chronic animal welfare issues."

Morrison says CPW has been working on a lot of its scientific evidence right up to hearing but some information won't be presented until the hearing commences. "Both Selwyn District Council and ECan have come back to us with a number of questions, which is simply part of a process."

Also being outlined for the first time at the hearing, and setting CPW apart on the environmental front says Morrison, is its Sustainability Protocol. "Farmers will have to commit to a Water User Agreement and produce sustainable Farm Plans. Every single one of our shareholders will have to prove to Central Plains Water each year that they're using water and applying fertiliser in a sustainable manner. There will be

appropriate provisions in the water supply agreement with our shareholders, to ensure that environmental management processes are being implemented and enforced.”

CPW Trust also proposes to formally report to the wider community on its progress via an Annual Environmental Compliance Report, that would include information on Farm Plan audits. Once the scheme has provided water for two years a Sustainability Report would be made publicly available.

“From CPW’s perspective, the hearing is therefore a welcome opportunity to outline, for the first time, the full complexity of the scheme and its merits,” says Pat Morrison.

ENDS

Background information

Canterbury has more than sufficient water¹ to meet the province’s diverse environmental, social, cultural, recreational, and economic demands, but this water is not always in the right place at the right time.

Because it involves water storage, the Central Plains Water (CPW) scheme is designed to:

- provide a reliable irrigation supply, even during droughts
- meet the irrigation needs of farmers within the scheme area for the next 100 years
- bring balance back to the groundwater system
- provide security against climate change
- promote the most efficient, economic and environmentally sensitive farming practices
- future proof the region’s economic base
- enhance the region’s ecological and recreational resources.

Irrespective of whether the CPW scheme goes ahead, surface water will continue to be allocated from the Rakaia and Waimakariri Rivers to individual farmers or small groups of farmers (up to the limits established by their respective National Water Conservation Order and Regional River Plan). The CPW scheme offers an alternative to this status quo where, in addition to providing irrigation water, it will provide a range of environmental and recreational benefits that can only be delivered by a large scale, centrally managed, community scheme.

¹ *The Water Quantity section of ECan’s proposed NRRP (Natural Resources Regional Plan) cites the Canterbury Strategic Water Study which “estimates that potentially about one million hectares could be irrigated [in Canterbury] ...a review of river flows showed that there is enough water to do this but not on a run-of-river basis (that is, relying on the natural flow of the rivers). Construction of water storage systems to capture water during higher flows will be necessary to give the reliability of supply that is needed, particularly during periods of low river flow in summer.” Also, “with storage, the region has enough water to meet its foreseeable abstractive needs and provide for instream flow requirements.”*

Mounting construction and resource consenting costs mean CPW represents a one-off opportunity to deliver maximum benefits to the greatest number of people.

The process – ownership, consultation and resource consents

- The project was conceived and established by the Christchurch City and Selwyn District Councils to facilitate sustainable development of central Canterbury's water resource.

The CPW Trust is a charitable trust established by the city and district councils. The scheme is a public, not private, venture.

- In 2003, the CPW Trust established a company – Central Plains Water Limited (CPWL) – to raise the money required and obtain the consents needed for the project to commence on behalf of the CPW Trust. If the consents are granted, the CPW Trust will license their use to CPWL which will be responsible for implementation and operation of the scheme. The consents will be owned and administered by the CPW Trust and water will be allocated to CPWL and others, such as recreational users.
- The scheme cannot be built until it has been granted nearly 100 resource consents by Environment Canterbury and Selwyn District Council. The cost of the legal and technical work involved in gaining those consents is estimated at more than \$4 million.
- To date, this work has been financed by shareholders – farmers who own land within the scheme area who responded to CPWL's oversubscribed share offer in 2004 which raised \$4.7 million – and via loans provided by Christchurch City Council and Selwyn District Council.

There is strong farmer support for the scheme. Approximately 75% of farms in the scheme area (around 300 farms) are shareholders and each has invested an average \$15,000 to fund the feasibility study and resource consenting phase.

Sustainability

- A key feature of the scheme is the resource consents will be owned by the CPW Trust, an entity established by Christchurch City and Selwyn District Council. The Trust objectives are designed to enhance the environmental, economic and social values of the communities in central Canterbury. This ensures ownership will never pass to overseas or commercial / corporate interests. Importantly, it also ensures that water users cannot act 'inappropriately'.
- A core aspect of the CPW scheme is the concept of 'sustainable development'. This involves meeting the needs of the present generation without compromising the ability of future generations to meet their needs by:
 - protecting water quality
 - restoring degraded waterways
 - pursuing ecological, recreational, cultural and social values.

CENTRAL CANTERBURY – WITH THE SCHEME & WITHOUT

<u>WITHOUT</u> A COMMUNITY IRRIGATION SCHEME	<u>WITH</u> A COMMUNITY IRRIGATION SCHEME
Private ownership of resource consents.	Public ownership of resource consents. (the CPW scheme's consents will be owned by the CPW Trust – a charitable trust established by the Christchurch City and Selwyn District councils).
Individual commercial gain is the key driver. Limited community gain as individual or small groups of farmers that apply to take water from Waimakariri and Rakaia are not required to make a commitment to sustainable community, recreation and environmental benefits.	Public scheme designed for overall community good. Collective approach and economies of scale allow for a wide range of social, cultural, environmental and economic benefits.
Water supply is not very reliable because: <ul style="list-style-type: none"> - options for water storage are minimal - farmers cannot take water from rivers during low flow / drought periods when they need it most 	Water supply is highly reliable because water storage provides water 'in the right place at the right time'. This means: <ul style="list-style-type: none"> - more opportunities for high value farm production. - economic impact of drought significantly lower
Individual farmers continue to apply for resource consents to access groundwater from aquifers.	Significant drop in applications for groundwater consents.
The majority of farmers continue to pump water from underground aquifers. Aquifer levels remain unnaturally low: <ul style="list-style-type: none"> - threat to ongoing supply of drinking water for some 'house wells'. - ongoing degradation of water volumes in lowland streams. 	Farmers receiving water from CPW scheme stop pumping water from underground aquifers. Aquifer levels rise: <ul style="list-style-type: none"> - protects drinking water supplies for rural 'house wells'. - the volume of water in lowland streams gradually restores.

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Potential for farms to be sold and their water rights (to take water from the Waimakariri and Rakaia Rivers) lost to overseas interests.	Water rights owned in perpetuity by the community via the Central Plains Water Trust.
Consent conditions are used to manage environmental effects. Consent authorities must carry out compliance monitoring for all individual consents.	CPWL takes strong advocacy role in support of achieving excellence in environmental management across the scheme. Water users supported and assisted by CPWL to adopt sustainable farm management best practice measures that minimise or remedy any adverse environmental effects. At its own cost, CPWL carries out ongoing monitoring and reporting on environmental performance of individual farms and the scheme as a whole.
No enhancement fund.	Environmental Trust Fund administered by the CPW Trust. The fund will be used to support and encourage various environmental enhancement initiatives (eg. Riparian planting and habitat restoration) within and 'downstream' of the CPW scheme area.

CONTACTS

SPOKESPEOPLE

- Derek Crombie, Project Manager, GHD – ph (03) 377 8076 or (027) 279 0107, email derek.crombie@ghd.co.nz
- Pat Morrison, Chairman, Central Plains Water Limited (CPWL) – ph (021) 434 222
- Doug Marsh, Chairman, Central Plains Water Trust (CPW Trust) – ph (027) 493 6745

MEDIA RELATIONS ADVISOR

- Erin Jamieson, Convergence Communications– ph (03) 365 0081 (021) 743 237, email erin@conv.co.nz