

IN THE MATTER

of the Resource Management Act 1991

AND

IN THE MATTER

of the hearing of submissions by the Whangarei District Council on Plan Changes 85, 85A, 85B, 85D, 86A and Consequential Amendments to the Whangarei District Plan

**STATEMENT OF EVIDENCE OF DEAN MICHAEL CHRYSTAL FOR FONTERRA
LIMITED**

PLANNING

23 JUNE 2017

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1. SUMMARY

1.1 Fonterra Limited ("**Fonterra**") made a number of submissions on Plan Changes 85, 85A, 85B, 85D, 86A and Consequential Amendments to the Whangarei District Plan ("**Plan Changes**").

1.2 A key issue for Fonterra is ensuring that the Plan Changes appropriately manage the potential for reverse sensitivity effects on its assets in the Whangarei District. In this regard I endorse the Council's proposal to include a noise control boundary around Fonterra's Kauri Site, to address potential reverse sensitivity effects in respect of noise and include a 250m separation distance between the Kauri Site's irrigation farms and sensitive activities.

1.3 I also support a number of the recommendations proposed by the reporting officers, however, I have gone on to address points relating to Fonterra's submissions where I am in disagreement with the recommendations or where I consider further amendments are necessary. In short I conclude that:

- (a) Further amendment is required to Objective RA 1.2.2 to address the submission point made by Fonterra;
- (b) Further additions should be made to the definition of sensitive activity to ensure that all those activities considered sensitive to effects such as noise are captured;
- (c) An amendment to Rule 2.1.5 is necessary to make it clear that water storage and/or treatment ponds and irrigators are not captured by the rule;
- (d) The additional wording proposed in the Fonterra submission to Policy SRIE 1.3.2 is necessary to provide the link and reasoning between Objective 1.2.3 and the limited number of rules that now apply to SRIE;
- (e) It is appropriate to enable driers, silos and boilers, including associated stacks, to be developed between 20m and 65m in Rule SRIE 2.3.1.a given the exemptions already provided for;
- (f) That the area on the immediate south side of Main Road should be retained within a rural or rural residential framework (rather than urban);
- (g) A note should be added to Appendix 6A (minimum parking requirements) to make it clear that there are no parking requirements for the Kauri site;

- (h) The 20ha subdivision standard in the RLE should be maintained;
- (i) There is no reason for Fonterra to oppose zoning on the Aylward property beyond the 250m threshold in proximity to Fonterra's irrigation farm; and
- (j) Imposing a traffic generation threshold for consent at 200vpd in a situation such as the Kauri Site is inefficient in terms of s32 and will impose unnecessary costs.

2. INTRODUCTION

- 2.1 My full name is Dean Michael Chrystal. I am a Director of Planz Consultants Limited, a planning consultancy based in Christchurch and Auckland. I hold a Bachelor of Regional Planning degree and am an accredited Commissioner. I have been employed in the practice of Planning and Resource Management for over 25 years, both in New Zealand and the United Kingdom.
- 2.2 I have previously been involved in a number of major Fonterra manufacturing site development projects, and I have provided evidence for Fonterra on a number of district plans throughout the country. I am familiar with the Kauri Milk Processing Site ("**Kauri Site**") which is located in the Whangarei District.
- 2.3 Evidence for Fonterra at this hearing is also being provided by Mr Adrian Pyne, Environmental Risk and Compliance Manager for Fonterra's operations in the Upper North Island.
- 2.4 My firm advised Fonterra in respect of its submission and further submission on the Plan Changes. I have since been asked to review the Whangarei Council's ("**Council's**") section 42A reports and provide a brief of evidence for the hearing of submissions on the Plan Changes.
- 2.5 Although this is a Council hearing, I have read the Environment Court's Code of Conduct for Expert Witnesses and agree to comply with it. My qualifications as an expert are set out above. I confirm that the issues addressed in this statement of evidence are within my area of expertise.

Scope of evidence

- 2.6 In my evidence I identify the submissions made by Fonterra on the Plan Changes. These primarily relate to reverse sensitivity issues and the language of some of the proposed objectives, policies and rules relating to these issues. My evidence will focus on the outstanding issues from Fonterra's submissions

and will not go into detail on submissions where the Council and Fonterra are aligned or where submission points are no longer being pursued.

2.7 In summary, Fonterra sought the following amendments:

Plan Change 85 – Rural Activities

- (a) Include reference to Strategic Rural Industries in the third paragraph of the Description and Expectations after the first sentence: *There are also a number of Strategic Rural Industries which are related to primary production located in the rural area.*
- (b) Amend Objective RA 1.2.2 to clarify that rural industries may suffer reverse sensitivity effects: *Avoid, remedy or mitigate reverse sensitivity impacts especially in relation to established and productive rural activities and rural industries.*
- (c) Amend Policy RA 1.3.11 to clarify that dwellings can result in incompatible land uses: *To manage the establishment and location of new rural activities, including dwellings to avoid conflicts between incompatible land uses.*

Plan Change 85A – Rural Production Environment

- (d) Amend Rule RPE 2.3.1 to include the Plan's definition of noise sensitive activities: *Any sensitive activity or noise sensitive activity (excluding non-habitable buildings).*
- (e) Support Rule RPE 2.3.1.a.ii, which addresses potential reverse sensitivity effects in relation to Strategic Rural Industries.
- (f) Amend Rule RPE 2.1.1 to clarify that resource consent is not required for activities ancillary to industrial activities, such as water storage and/or treatment ponds and irrigation infrastructure.
- (g) Amend Rule RPE 2.3.1.d to include a 250m setback for sensitive activities from Fonterra's Irrigation Farms.

Plan Change 85B – Significant Rural Industrial Environment

- (h) Amend Objective SRIE 1.2.4 to clarify its meaning: *Maintain rural amenity ~~and avoid reverse sensitivity effects associated with~~ in the vicinity of Strategic Rural Industries.*

- (i) Amend Policy SRIE 1.3.2 to provide policy support for the limited rules in the SRIE: *To provide for the ongoing operation and expansion of Strategic Rural Industries and limit the requirement to those necessary to ensure ~~where~~ adverse effects can be avoided, remedied or mitigated.*
- (j) Amend Policy SRIE 1.3.3 to clarify its meaning: *To avoid fragmentation of Strategic Rural Industry sites and to safeguard adjoining landowners from ~~potential reverse sensitivity~~ effects associated with further subdivision.*
- (k) Amend Rule SRIE 2.3 and other parts of the Plan to refer to the Kauri Site consistently as the Fonterra Kauri Milk Processing Site: Discretionary Activities – *Fonterra Milk Processing Site ~~Kauri Dairy Factory~~ SRIE.*
- (l) Amend Rule SRIE 2.3.1.a to exempt from the height limit boilers, silos, driers, including any associated stacks or telecommunication facilities.

Plan Change 85D – Rural Living Environment

- (m) Amend Objective RLE 1.2.5 to clarify that reverse sensitivity effects are included: *Consolidate rural living development in appropriate locations where rural production activities are already compromised, and/or including those associated with reverse sensitivity can be avoided.*
- (n) Amend Rule RLE 2.3.1.a for consistency with the Plan's language: 500m of: *the Mining Area of a Mineral Extraction Area, a Strategic Rural Industry Environment, or a Business Environment.*
- (o) Amend Rule RLE 2.3.1.a to include a 250m setback from Fonterra's Irrigation Farms at Kauri, or in the alternative delete all Rural Living Environment zoning within 250m of Fonterra's Irrigation Farms.

Plan Change 86A – Rural (Urban Expansion) Environment

- (p) Delete the proposed Rural (Urban Expansion) Environment located between Main Road and Logan Cameron Road, and return to Rural Production Environment.

Consequential Amendments

- (q) Support the following consequential amendments as notified:

- (i) definitions of reverse sensitivity and Strategic Rural Industries;
 - (ii) Rules NAV 6.1 and NAV 6.5 regarding noise provision and noise insulation as they relate to the Kauri Strategic Rural Industry;
 - (iii) description of Strategic Rural Industry Environment and
 - (iv) deletion of the parking provisions for the Kauri Milk Processing Site.
- (r) Add the following notes to the Appendices:
- (i) *Appendix 6A: ii) There are no parking provisions for the Kauri Milk Processing Site.*
 - (ii) *Appendix A8.3 Hazardous Facilities: The Kauri Milk Processing Site is exempt from all Hazardous Substances provisions.*

2.8 I note that Fonterra's submission included:

All necessary and consequential amendments, including any amendments to the provisions themselves or to other provisions linked to those provisions submitted on, including any necessary changes to Proposed Plan Changes 85, 85A, 85B, 85D, 86A, Planning Maps and Consequential Amendments, and including any cross references to other chapters that may be necessary; and

All further relief that is considered necessary to give effect to the concerns described above and in **Attachment A** below.

2.9 Fonterra also further submitted on a number of submissions made by other parties. These further submissions can be summarised as follows:

- (a) Opposing landowners seeking to reduce subdivision sizes within the Rural Living Environment due to potential reverse sensitivity issues.
- (b) Opposing landowners seeking to rezone their land to Rural Living Environment or Rural (Urban Expansion) Environment in close proximity to Fonterra's irrigation farms.
- (c) Supporting amendments to the NAV provisions to ensure that noise levels in the Rural Living Environment are the same as in the Rural Production Environment.

- (d) Supporting GBC Winstone and Horticulture New Zealand, among other submitters, in seeking to amend the language of various objectives, policies and rules relating to reverse sensitivity.
- (e) Opposing New Zealand Transport Agency ("NZTA") in seeking to have a traffic movement rule included in the Strategic Rural Industry Environment.

2.10 For the sake of brevity I confirm that I support the recommendations and associated reasoning of the section 42A report in relation to submission points (a), (c), (e), (g), (h), (i), (j), (k), (m), (n), (o), (q)(i)-(iv) and (r)(ii) above and have no further evidence to add. I also support the reasoning in the section 42A report in respect of Fonterra's further submissions and add a few points of clarification.

2.11 My evidence on the outstanding points is provided in detail below.

3. PLANNING PRINCIPLES RELATING TO REVERSE SENSITIVITY AND THE USE OF NOISE CONTROL BOUNDARIES IN DISTRICT PLANS

3.1 Fonterra's interest in the Plan Changes is driven by concerns of reverse sensitivity effects on the Kauri Site. Reverse sensitivity is a planning effect which can arise where sensitive activities are introduced to an environment where existing intensive activities generating effects such as noise, dust and odour are taking place and subsequently compromise those existing activities. This generally begins with complaints against the existing activity and can also manifest itself in surrounding landowners opposing further development or intensification on the subject site.

3.2 District plans, including the Plan Changes, typically include objectives and policies specifically addressing reverse sensitivity along with associated rules. Councils have therefore recognised that the balance of costs/benefits falls in favour of some land use controls in order to preserve the efficient and effective operation of essential infrastructure, significant industry or specific effects-generating activities.

3.3 The use of specific rules to manage reverse sensitivity can take a variety of forms to suit the particular situation. One method has been to direct sensitive activities away from incompatible activities, often through buffer distances. An alternative, particularly associated with noise, has been to allow sensitive activities in proximity to the established activity but only if they are appropriately acoustically insulated.

- 3.4 The technique of Noise Control Boundaries ("**NCB**") is one such method which has been used in district plans throughout the country for many years. Airports and ports have been primary examples of using such provisions for a number of years. However in more recent years, linear infrastructure such as state highways and railways are using the technique along with one-off activities such as motor racing venues. This infrastructure is the subject of significant capital investment and is not easily moved elsewhere. In addition, many of these larger sites are either in rural areas or on the boundary of different zones, and thereby can be perceived to be "out of place" despite in many cases being long established.
- 3.5 Using this technique provides a greater degree of certainty for both the activity itself and the general public with respect to the extent of noise permitted from a site and any other future development. Compliance is also typically much more straight-forward to assess with NCBs than say a notional boundary rule.
- 3.6 The technique essentially requires a noise sensitive activity locating inside the NCB to meet a design insulation standard and in a quid pro quo situation requires the noise creator to meet the noise standard set at the NCB boundary.
- 3.7 Fonterra has for a number of years been supporting the use of NCBs for its manufacturing sites around the country at a 45 db LAeq (15 min) level.
- 3.8 At its Whareroa site in South Taranaki, there has been a NCB in place in the District Plan for a number of years and the District Council has recently confirmed a NCB for Fonterra's Kapuni site in its decisions on its new District Plan. Similar provisions are contained within the Tararua (for Fonterra's Pahiatua site), Selwyn (Darfield) and Southland (Edendale) District Plans. Such provisions are currently being sought in the Dunedin (Mosgiel Distribution Centre), Clutha (Stirling) and Timaru (Clandeboye) District Plans. In addition to these a NCB was put in place in relation to the expansion of Fonterra's Studholme Plant in Waimate District via resource consent.
- 3.9 The noise environment at each of these sites is not limited to manufacturing activities. The outward flow of product is also a significant contributor to the noise environment, particularly where rail is involved (which it is for the majority of the above sites). Some of these sites operate 24 hour rail services direct to the relevant ports. The drystore operations therefore form a significant part of the inputs used to model and establish the NCBs.
- 3.10 The NCB for the Kauri Site has been introduced through the Proposed Consequential Amendments with the Noise and Vibration section of the District Plan and the Planning Maps. I support those amendments for the reasons set

out above and note, from my review of submissions and further submissions, that no party is challenging their inclusion.

4. SUBMISSION POINTS

4.1 This section addresses the outstanding points from Fonterra's original submission. The numbering follows that of paragraph 2.7, where I summarised Fonterra's submissions.

B. Objective RA 1.2.2 – Recognition of Reverse Sensitivity Effects

Fonterra's submission

4.2 As described above, Fonterra considers that there is significant potential for reverse sensitivity effects on the existing rural industries in the Whangarei District. Fonterra therefore submitted seeking that Objective RA 1.2.2 acknowledge this and provide a strategic link to the policies and rules which follow. (This submission point is similar to Fonterra's further submission in relation to Horticulture New Zealand's proposed amendment to this objective, which Fonterra supported.) Fonterra sought the following wording:

Avoid, remedy or mitigate reverse sensitivity impacts especially in relation to established and productive rural activities **and rural industries.**

Section 42A report

4.3 Mr Burgoyne has recommended that Fonterra's proposed amendment to this objective be accepted in part, to read:

Avoid, remedy or mitigate reverse sensitivity impacts, particularly ~~especially~~ in relation to established rural production activities.

4.4 Mr Burgoyne agrees that Objective RA 1.2.2 can be improved as the phrase "productive rural activities" lack clarity, but considers that strategic rural industries will be protected by the proposed provisions in Plan Change 85B (Strategic Rural Industry Environment).

Assessment

4.5 The amendments proposed by Mr Burgoyne could possibly address the Fonterra submission if rural industries such as the Kauri Site were considered to be "rural production activities". However, the new definition proposed by Ms McGrath of Rural Production Activity in the Part 1 report makes it very clear

that rural industries are not "rural production activities". The proposed definition reads:

Rural Production Activity

Means the use of land and buildings for farming, intensive livestock farming, farm quarrying, seasonal activities and plantation forestry.

4.6 The change to the Objective proposed by Mr Burgoyne therefore does not address Fonterra's submission point and amounts to a rejection rather than acceptance in part, in my view.

4.7 The point of the submission is an important one as the issue of reserve sensitivity in the rural area is not limited to rural activities and, as discussed above, can manifest itself in surrounding landowners opposing further development or intensification of an established subject site. I therefore consider that Fonterra's original submission point should be included in the revised Objective as follows:

Avoid, remedy or mitigate reverse sensitivity impacts, particularly ~~especially~~ in relation to established rural production activities and rural industries.

D. Rule RPE 2.3.1 – Capturing Noise Sensitive Activities

Fonterra's submission

4.8 The District Plan currently provides different definitions for "sensitive activity" and "noise sensitive activity". Fonterra submitted that both should be captured by Rule 2.3.1 to ensure that "noise sensitive activities" are also appropriately controlled. Fonterra sought amendment to Rule 1 (RPE.2.3 Discretionary Activities) as follows:

Any sensitive activity **or noise sensitive activity** (excluding non-habitable buildings):

Section 42A report

4.9 The section 42A report by Ms McGrath does not specifically address Fonterra's submission on this point and the amendment Fonterra sought has not been shown in the amended Plan Change text. However, the report recommends that the definition of "sensitive activity" is amended as follows:

Sensitive activities means, ~~within a National Grid Corridor,~~ childcare and education facilities, Residential Activity, hospitals, Health Care Facilities and Retirement Villages.

4.10 "Noise sensitive activity" is separately defined as:

...those activities that involve habitation of people within which concentration (of thoughts) is required and includes residential units, residential institutions, marae, hospitals, health care facilities and education facilities, excluding Airport staff and aviation training facilities or aero clubs (other than airport staff training facilities).

Assessment

4.11 In my opinion the removal of the words "within a National Grid Corridor" from the definition of Sensitive Activities clarifies the situation somewhat in relation to Rule 1 and having reviewed the definition of Residential Activity as it currently reads I am satisfied that all the residential activities are covered. In terms of the two definitions the only difference remains "marae", which is not covered by the Sensitive Activities definition.

4.12 In terms of relief, I consider that the best solution would be to include a fulsome definition of Sensitive Activities. I therefore support the definition suggested by the Egg Producers Federation of New Zealand, which includes visitor accommodation, camping grounds, marae and papakainga housing. This would address Fonterra's concerns as these are all activities which can be regarded as sensitive to effects such as noise and therefore should be captured in RPE 2.3 Rule 1.

F. Rule RPE 2.1.1 – Activities Ancillary to Strategic Rural Industries

Fonterra's submission

4.13 Fonterra's Kauri Site relies on wastewater irrigation and water storage ponds in the Rural Production Environment. Fonterra was concerned that the definition of "Industrial Activity" which includes the words "other ancillary activities" may render these activities non-complying in the RPE surrounding the Kauri Site. Fonterra therefore submitted that such activities be exempt from Rule RPE 2.1.1. Fonterra sought the following wording:

Add to RPE 2.1 Rule 1 as follows:

Commercial and industrial activities are non-complying activities. **Ancillary activities to industrial activities, such as water storage and/or treatment ponds and irrigation infrastructure, are exempt from this rule.**

Section 42A report

4.14 Ms McGrath has recommended that Fonterra's submission be accepted in part. She has recommended that the definition of Activities Ancillary to

Farming or Forestry incorporate strategic rural industries as well, with the provisions as notified to be amended as follows:

Activities Ancillary to Farming, ~~Or~~ Forestry or Strategic Rural Industry

Means processing and packaging facilities for farming, forestry and any strategic rural industry that is dependent primarily on the direct handling of raw produce, or that primarily supplies services to farming, horticulture, or forestry. Includes premises used for the manufacture of dairy products, abattoirs, timber processing, stock yards and sale yards, cool stores, ~~and~~ pack houses, ~~and~~ rural contractor depots and by-product disposal.

Assessment

- 4.15 The amendment recommended by Ms McGrath is beneficial as the activities Fonterra's submission point sought to include are now clearly provided for. However, as a consequence of the 500m² limit for an ancillary building or outdoor area larger than 500m² in Rule 2.1.5 and the associated definition of building, those ancillary activities may now require consent as a non-complying activity. The uncertainty arises as the definition of building, shown below, would appear to capture Fonterra's water storage and/or treatment ponds as they exceed 35,000 litres; and irrigation infrastructure such as pivot irrigators as movable structures, all of which will occupy outdoor areas greater than 500m². The uncertainty is whether the activities are considered to be operating within a building and/or from an outdoor area, which may be the case but is likely not the intention in relation to these activities.

Building

means any temporary or permanent, movable or immovable structure, including any place, vehicle or construction used as a place of residence or business or for assembly or storage purposes; but does not include:

- e) Any tank or pool not exceeding 35,000 litres;

- 4.16 Due to this uncertainty, I consider that Rule 2.1.5 needs to make it clear that water storage and/or treatment ponds and irrigators are not limited to 500m² in the RPE. This could be done by adding a point of clarification to the end of the rule:

“For the avoidance of doubt water storage and/or treatment ponds and irrigators are not subject to this rule.”

I. Policy SRIE 1.3.2 – Clarification of Policy

Fonterra's submission

- 4.17 The rules applying to the Strategic Rural Industry Environment (SRIE) are enabling. Fonterra sought that this be reflected in Policy SRIE 1.3.2, to clarify that the consenting requirements that have been included are those considered necessary to ensure adverse effects can be avoided, remedied or mitigated. Fonterra sought the following wording:

To provide for the ongoing operation and expansion of Strategic Rural Industries **and limit the requirement[s] to those necessary to ensure** where adverse effects can be avoided, remedied or mitigated.

Section 42A report

- 4.18 Mr Badham has recommended that Fonterra's submission be rejected and the policy should remain as worded. He considers that the phrase makes little sense in the context of the policy and could result in confusion in interpretation of the policy.

Assessment

- 4.19 In my opinion the revised wording in the policy sets the framework for the refined rule package that follows. In other words, it provides a top down approach. Prior to Plan Change 85B there were a wide range of rules which, for example, applied to the Kauri Site which would no longer apply. These include parking, landscape and traffic generation rules.
- 4.20 There has been recognition through the s32 assessment for PC85B that there should be flexibility for industry within the SRIE to operate without unnecessary constraints from Council.¹ This manifests itself in Objective 1.2.3 which seeks to “*Promote the adoption of a flexible and targeted management framework for existing and/or prospective Strategic Rural Industries*”.
- 4.21 In my view the additional wording provided in Fonterra's submission point helps provide the link between Objective 1.2.3 and the limited array of rules that now apply to the SRIE.

¹

L. Rule SRIE 2.3.1.a – Exemption for Certain Structures

Fonterra's submission

- 4.22 Fonterra submitted that any boilers, silos and driers associated with the Kauri Site should be included in the list of activities that can exceed the 20m height limit, and that the rule should also specify that stacks are included for clarity and certainty. Fonterra sought the following wording:

That exceeds a height of 20m, or is a **boiler, silo, drier** ~~spray drying~~ or evaporation plant that exceeds a maximum height of 65m, **including any associated stacks or telecommunication facilities.**

Section 42A report

- 4.23 Mr Badham has recommended that Fonterra's submission be rejected on the basis that not enough information has been provided to justify the exception sought in relation to silos or driers. Further, he considers that no real detail is provided as to why stacks or telecommunication facilities should be allowed to exceed the height limit. In his view, Fonterra's submission point is not a minor changes, and further information is required as to why it is necessary or appropriate to make them.

Assessment

- 4.24 Breaking down the Fonterra submission point the word “*drier*” is merely replacing the words “*spray drier*” because it’s a more generic term. From an effects point of view there is no difference.
- 4.25 In terms of boilers, as discussed by Mr Pyne, they generally go hand in hand with a drier. They effectively provide the energy source to enable the drier to operate. I have been involved in consenting four new driers for Fonterra over the past 7 years and each application included a boiler as part of the proposal. The scale of boilers does vary with the coal/biomass fired boilers generally being taller than the gas fired boilers. However many of them are over 20m in height. As an example the recently consented Studholme expansion on State Highway 1 near Waimate had a boiler height of 45m (this was a combined coal/biomass boiler) and an associated stack height of 68m. One of the quirks of moving to biomass as an energy source is that it tends to require larger boilers due to its lower heat generating capacity per volume of fuel source.
- 4.26 Silos are generally located around the main drier or milk collection area. They are used to store milk, product and wastewater. They range in both height and diameter depending on the type of product being stored with the largest being

just over 20m and around 6m in diameter. Again they are an integral component of any dairy plant.

- 4.27 The scale of driers and boilers and to a lesser extent silos is difficult to hide whatever the situation. Therefore in my opinion taking into account the existing built up nature of the Kauri Site and the fact that drier and evaporation plants were acceptable up to 65m in height I can see no reason for excluding boilers and silos from being able to exceed 20m, particularly given their necessity in relation to the drier and overall operation. In my opinion one of the purposes of the rule relates to the identification of the site as a Strategic Rural Industries Environment with specific reference to the Fonterra Kauri Milk Processing Site and the enablement of dairy related buildings including provision for those that exceed 20m in height as opposed to other buildings.
- 4.28 Stacks are an integral component of both driers and boilers in terms of discharging matter to air. Boiler stacks tend to be long slim features with a width of 2-3m which require a reasonable height to be reached in order to ensure the appropriate level of dispersal of particulate matter. Drier stacks are much shorter usually no more than 3m in height with an area of around 10m² and there are generally 2-4 located on a drier. In my opinion, the visual impact of stacks when seen in the context of the other buildings is relatively minor.
- 4.29 On reflection, I accept that there is no reason to include telecommunication facilities with the exclusions. The revised wording now sought by Fonterra is:

That exceeds a height of 20m, or is a **boiler, silo, drier** ~~spray drying~~ or evaporation plant that exceeds a maximum height of 65m, **including any associated stacks.**

P. Planning Map 7 – Proposed Rural (Urban Expansion) Environment

Fonterra's submission

- 4.30 Fonterra is concerned that the proposed rezoning of land on the south side of Main Road (which is located in close proximity to Fonterra's irrigation farm and to the east of the Kauri Site) to Rural (Urban Expansion) Environment (RUEE) has the potential to result in reverse sensitivity effects. Fonterra therefore submitted that the proposed RUEE be deleted (and instead revert to Rural Production Environment).

Section 42A report

- 4.31 Mr Burgoyne and Mr Cook recommend that Fonterra's submission is rejected on the basis that the proposed zoning recognises the existing level of rural residential development and allows for some further development of existing

larger lots. While acknowledging that the Kauri Site is nearby, the report considers that the proposed zoning will not exacerbate any reverse sensitivity issues, because:

- (a) The proposed Rural (Urban Expansion) Environment boundary is over 250m from the wastewater irrigation farm and over a kilometre from the Kauri Site.
- (b) There are already several residential units located between the proposed Rural (Urban Expansion) Environment and Fonterra's Kauri Site and irrigation farm.

Assessment

4.32 Fonterra's submission on this rezoning stems from its involvement in Plan Change 93 in 2011, which sought to rezone a number of rural areas on the fringes of Whangarei as Urban Transition Environments ("UTEs") including the subject area.

4.33 I am advised that the Hearing Commissioners referred to "*compelling evidence*" presented by Fonterra, and on this basis accepted a buffer was necessary between the proposed UTE and both Fonterra's wastewater irrigation scheme and the nearby Business 4 Zone (which is occupied by a timber yard). As I understand it that buffer was 500m although I am unclear as to what the basis for that distance was.

4.34 The proposed RUEE zone is in my opinion clearly a transition zone from rural to urban and it is therefore not the current situation that is of concern but what might evolve in the future as the RUEE transitions to full urban development. Indeed the description and expectations state:

The RUEE provides for a density of rural residential development that lies between the densities of the Rural Living and Living Environments. The primary landuse in RUEE is rural residential. The RUEE will provide capacity for the future urban expansion of the City and as such development must be managed to protect the future expansion of services, business areas and residential suburbs.

[emphasis added]

4.35 Notwithstanding the above, I acknowledge that Fonterra has sought a 250m separation for sensitive activities from its irrigation farms (which I have supported) and I accept the point that there is already development in this area. Therefore, in my opinion, maintaining a buffer of 250m from the irrigation farm would be consistent with what has been sought through this plan change

process, however the Commissioners may need to enquire as to the reasoning why a separate Panel considered a 500m buffer was necessary.

R(i). Appendix 6A – Minimum Parking Requirements

Fonterra's submission

- 4.36 Fonterra supports the deletion of the Kauri Site from Appendix 6A Minimum Parking Requirements but submitted that a note should be added to make it clear that there are no parking requirements. Fonterra sought the following wording:

ii) There are no parking provisions for the Kauri Milk Processing Site.

Section 42A report

- 4.37 Mr Badham has recommended that Fonterra's submission be rejected on the basis that the notified change clearly highlights the deletion of any minimum parking space requirements for the Kauri Site. He therefore considers that the addition of the note requested by Fonterra is superfluous.

Assessment

- 4.38 I do not consider the matter is as clearcut as Mr Badham suggests. My understanding is that the deletion of the Kauri Site from the Appendix 6A parking standards is, as Mr Badham recognises, to remove any minimum parking space requirements for the Kauri Site. This is due to an acknowledgement that it is unnecessary to have a parking standard for the site given its scale and the level of parking provided.
- 4.39 Under the Operative plan, the Kauri Site is currently included in Appendix 6A Minimum Parking Requirements as a separate specific site rather than being captured by the generic Industrial activity requirements. By simply deleting the specific requirement for the Kauri Site from Appendix 6A without providing the note suggested in Fonterra's submission will mean that the site arguably defaults to the Industrial activity requirement, rather than being removed from having minimum parking space requirements.
- 4.40 In my opinion, the note is necessary in order to ensure that the amendment proposed is actually achieved.

5. FURTHER SUBMISSION POINTS

5.1 This section provides clarification on Fonterra's further submissions. The numbering follows that of paragraph 2.9, where I summarised Fonterra's further submissions.

A. Rule RPE 2.3.2 – Subdivision Sizes

Fonterra's further submission

5.2 Fonterra opposed the submissions of a number of landowners to reduce subdivision sizes within the Rural Living Environment (RLE) due to the potential reverse sensitivity issues that could be created.

Section 42A report

5.3 Ms McGrath has recommended that the various submissions be rejected, but has proposed an amendment to clarify the rule as follows:

~~2. Any residential unit resulting in more than 1 residential unit per 20ha of net site area~~More than one dwelling per 20ha, provided that one dwelling is permitted on an allotment of any size.

Assessment

5.4 I support the amendment proposed by Ms McGrath as it essentially retains the original intent of the notified provision in terms of subdivision size within the RLE. Further, I note that while one dwelling is permitted on any allotment size there are standards that will continue to apply.

B. Proposed Rural Living Environment – Lots 2, 3 and 5 DP 206102

Fonterra's further submission

5.5 Fonterra opposed a submission by Mr Aylward to have his land rezoned from Rural Production Environment to Rural Living Environment, on the basis of its proximity to Fonterra's irrigation farm.

Section 42A report

5.6 Mr Burgoyne has recommended that the Aylward submission be rejected. He notes that due to the size of the property and its proximity to Fonterra's irrigation farm and the potential reverse sensitivity effects, it is not suitable for Rural Living Environment zoning.

Assessment

- 5.7 I note that in its primary submission Fonterra sought that its irrigation farms at Kauri be added into the rule requiring any sensitive activity to be setback 250m from the list activities. This submission has been accepted by the reporting officers in the Part 10 report. In my opinion, there is therefore no reason for Fonterra to oppose zoning beyond that 250m threshold and proximity to Fonterra's irrigation farm and the potential reverse sensitivity effects, beyond this point should not be used as a primary reason for rejecting Rural Living Environment zoning over the remainder of the site.

E. Proposed Traffic Movement Rule

Fonterra's further submission

- 5.8 Fonterra opposed NZTA's submission to have a traffic movement rule controlling the maximum number of vehicles per day (suggested at a threshold such as 200vpd) as a discretionary activity within the Strategic Rural Industry Environment. Fonterra considers that in relation to its Kauri Site the intersection with State Highway 1 has been upgraded to cater for a significant level of traffic and that there is nothing further to be gained from requiring further assessment for any change to the site.

Section 42A report

- 5.9 Ms McGrath has recommended that NZTA's submission be rejected, agreeing with the conclusion of the s 32 report that the Plan Changes as notified were the most efficient and effective option in relation to traffic movement.

Assessment

- 5.10 The intersection into the Kauri Site from State Highway 1 has been significantly upgraded in recent years to cater for the types of traffic entering and exiting the site. The intersection now has left in and left out slip lanes and a right turning bay. The number of vehicle movements through the intersection is well in excess of 200vpd.
- 5.11 Taking into account the above it is my opinion that imposing a threshold for consent at 200vpd is inefficient in terms of section 32 and will impose unnecessary costs. It will necessitate a resource consent application each time any change is made on the site whether it be large or small. This was noted as an economic cost associated with the status quo option in the section 32 report which also found that the option to remove all traffic movement limitations where access is established in accordance with relevant standards

was the most efficient and effective method to achieve the proposed SRIE objectives.

6. CONCLUSION

6.1 Overall, I support many of the recommendations proposed by the reporting officers and endorse the approach taken by the Council. There are a limited number of outstanding issues from Fonterra's submission, which, in my opinion, should be addressed for the reasons given above.

IN THE MATTER

of the Resource Management Act 1991

AND

IN THE MATTER

of the hearing of submissions by the Whangarei District Council on Plan Changes 85, 85A, 85B, 85D, 86A and Consequential Amendments to the Whangarei District Plan

**STATEMENT OF EVIDENCE OF ADRIAN DAVID PYNE ON BEHALF OF
FONTERRA LIMITED**

CORPORATE

23 JUNE 2017

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1. INTRODUCTION

- 1.1 My name is Adrian David Pyne.
- 1.2 I am the Environmental Risk and Compliance Manager for Fonterra Limited's ("**Fonterra**") operations in the Upper North Island. I am responsible for all operations between the Waikato and Northland.
- 1.3 My role is to provide advice and assistance to Fonterra's manufacturing sites in respect of environmental matters, including the management of the environmental effects of Fonterra's activities. I am involved in providing direction to Fonterra on a range of planning matters, such as district plan reviews that relate to Fonterra's manufacturing sites and the surrounding environment.
- 1.4 I have been employed by Fonterra for over 15 years in a variety of environmental roles. Prior to that, I worked for Tatua Dairy Company for over six years as an environmental officer, where one of my tasks was to monitor the effects of Tatua's irrigation operation on the environment. In terms of qualifications, I have a Masters Degree in Earth Sciences from the University of Waikato.
- 1.5 I am familiar with the Whangarei District Plan, and plan changes 85, 85A, 85B, 85D, 86A and Consequential Amendments ("**Plan Changes**") which are the subject of this hearing.

Scope of evidence

- 1.6 This statement of evidence addresses Fonterra's submission and further submissions in respect of the Plan Changes, including:
- (a) a brief description of Fonterra, including an overview of its requirements under the Dairy Industry Restructuring Act 2001;
 - (b) a description of Fonterra's Kauri Milk Processing site ("**Kauri Site**"), including its strategic importance for Fonterra's operations;
 - (c) an overview of Fonterra's primary issue in respect of the Plan Changes – reverse sensitivity effects; and
 - (d) a summary of the outstanding issues that Fonterra requests that the Hearings Committee address.

2. FONTERRA'S OPERATIONS

- 2.1 Fonterra is one of the top six dairy companies in the world by turnover, the leading exporter of dairy products, and is responsible for more than a third of international dairy trade. Fonterra is owned by approximately 10,600 New Zealand dairy farmers, who supply more than 15 billion litres of milk each year. Fonterra's global supply chain stretches from farms all over New Zealand to customers and consumers in more than 140 countries.
- 2.2 Fonterra is New Zealand's biggest company, and a significant employer, with around 11,000 New Zealand staff and a further 6,800 employees overseas. It owns 30 manufacturing sites within New Zealand and processes 89 percent of New Zealand's total milk production. Last season, Fonterra exported 2.2 million metric tonnes of dairy products to international markets.
- 2.3 Fonterra is committed to operating sustainably and contributing to communities, aiming to produce the most nutrient dense food with the least environmental impact. This involves using our resources responsibly across the dairy value chain and tracking our performance with regard to water, carbon, energy use and waste.

Fonterra's obligations under the Dairy Industry Restructuring Act

- 2.4 Fonterra was established in 2001 by the passing of the Dairy Industry Restructuring Act 2001 ("**DIRA**") and the voting by 84 percent of New Zealand dairy farmers, to confirm the merger of the New Zealand Dairy Board, New Zealand Dairy Group and Kiwi Co-operative Dairies.
- 2.5 Importantly for the Plan Changes, the DIRA requires Fonterra to (amongst other things):
- (a) pick up and pay for milk from farmers who hold shares in Fonterra;
 - (b) accept all applications to become a shareholding farmer; and
 - (c) accept all applications to increase the volume of milk supplied by a shareholding farmer.
- 2.6 Accordingly, as milk supply grows through either increased production at an existing farm, or via the conversion of other forms of agriculture to dairy, Fonterra is obliged to collect, pay for and process that milk.
- 2.7 In addition to processing capacity, Fonterra needs to ensure that its milk processing facilities operate efficiently and can process all milk supplied. The

efficient operation of Fonterra's manufacturing sites, without undue constraint, is therefore essential to Fonterra's business.

3. FONTERRA'S INTERESTS IN THE WHANGAREI DISTRICT

- 3.1 Fonterra's key operational interest within the Whangarei District is the Kauri Milk Processing Site ("**Kauri Site**") located on State Highway 1 at Kauri, 10km north of Whangarei.
- 3.2 The Kauri Site was established in 1989 by the Northland Dairy Company, with a single drier and one anhydrous milkfat plant. By 2001, when Fonterra was formed, the Kauri Site had expanded to include an additional four processing plants and a second drier. One of the driers was upgraded in 2006 to allow for the processing of nutritional products (for example, infant formulas), making the Kauri Site one of only two plants in NZ which is capable of producing such products.
- 3.3 The Kauri Site is essential to Fonterra's milk processing capacity in the Northland region. It processes up to 3 million litres of milk per day and operates for 47 weeks a year. In addition to those described above, the Kauri Site produces whole milk powder, skim milk powder, speciality powders, butter, anhydrous milk fat and speciality milkfat products. In the 2015 / 2016 season the site produced 118,000 tonnes of product. Given its location, the Kauri Site can receive milk from any Fonterra supplier farm north of Auckland.
- 3.4 The Kauri Site employs approximately 380 people, as well as providing direct and indirect employment for contractors and other businesses in and around Whangarei District.
- 3.5 An inevitable by-product of milk processing is the creation of a range of waste liquids (for example, wastewater, condensate etc). While Fonterra looks to minimise water usage, including through appropriate re-use, a large quantity of liquids must be discharged off site each day. Wastewater produced by the processing facility is treated at an on-site wastewater treatment plant before being discharged to three surrounding irrigation farms that Fonterra owns and operates (known as Kauri, Hikurangi and Jordan Valley).
- 3.6 This provides an environmentally appropriate way to dispose of wastewater and allows reuse of the water and nutrients. The irrigation farms also have a productive land use as typical farming activities, with dairying and dry stock forming the underlying land use. Fonterra's ability to dispose of the Kauri Site's wastewater in this manner is critical to its ongoing operation.

- 3.7 In terms of transport connections, the Kauri Site is linked to State Highway 1 by a major intersection. It also has strategic rail access to the Northland railway line. This allows milk and other heavy goods vehicles to access the site safely by road and allows for produce to be transported south by rail, substantially reducing truck movements on the state highway network with further benefits in reduced fuel use and carbon emissions.

4. FONTERRA'S PRIMARY CONCERN – REVERSE SENSITIVITY

- 4.1 Reverse sensitivity is a key issue for Fonterra. It refers to the establishment of sensitive activities (for example, residential activities) within close proximity to existing, incompatible operations (such as industrial operations). Allowing sensitive activities to establish in inappropriate locations can result in limitations on existing activities or create obligations to remedy or mitigate the effects of the existing operations to accommodate the new, sensitive activity.
- 4.2 In Fonterra's experience, we have found that, notwithstanding compliance with consent conditions or district plan performance standards, reverse sensitivity issues can, and do, create a burden on the company. This is because it is often the perception of effects, rather than actual effects, that lead to complaints from sensitive land uses.
- 4.3 If new residential activities are allowed to locate in close proximity to existing operations, the residential users often have an expectation of an urban environment. As such, complaints arise due to the effects of Fonterra's operations, including noise. Residents may build or move to a dwelling within close proximity of a processing site, which has a long history in the community, and start complaining about the effects associated with the site's operations (even if those effects are objectively minor). Often, as a result, the site will be required to undertake works to mitigate the effects at significant cost, or change operations with implications for the business.
- 4.4 In my experience of dealing with complaints, both directly and indirectly, I have found that people have varying expectations of amenity and compliance for our manufacturing sites and are sensitive to the effects of our activities to varying degrees. What one person deems a less than minor effect may be considered an adverse effect by another. Odour is a good example of where people have hugely different judgements of what is objectionable or offensive.
- 4.5 The majority of complaints can be addressed by practical means, including stopping the source of the complaint if practicable, offering to listen, supplying contact details of who to call if there is a recurrence, and making some changes

to our operations (eg limiting truck delivery times). However, in other cases more costly solutions are necessary, including considerable upgrades to Fonterra's facilities that would otherwise not be required.

5. FONTERRA'S OUTSTANDING ISSUES WITH THE PLAN CHANGES

5.1 Fonterra made a submission and a number of further submissions on the Plan Changes. Overall, Fonterra generally supports the Plan Changes, in particular Plan Change 85B and the creation of the Strategic Rural Industries Environment ("**SRIE**"), which applies to Fonterra's Kauri Site.

5.2 The Council have recommended that many of Fonterra's submission points are accepted, which I support and do not address any further.

5.3 A few of Fonterra's submission points have not been accepted by the Council. This section of my evidence provides a summary of those points and Fonterra's position. The general issues are:

- (a) the proposed rezoning of land on the south side of Main Road, Kauri from Countryside Environment to Rural (Urban Expansion) Environment ("**RUEE**") and associated reverse sensitivity issues;
- (b) the language of some of the proposed objectives, policies and rules relating to reverse sensitivity effects, which could be clearer to ensure effects are appropriately addressed without unintended consequences; and
- (c) the categories of infrastructure that are excluded from the SRIE height limit.

5.4 I also briefly address a further submission Fonterra made on the New Zealand Transport Agency's ("**NZTA**") proposed traffic movement rule for the SRIE.

Plan Change 86A proposed rezoning of land near the Kauri Site to RUEE

5.5 Fonterra opposed the rezoning of land on the south side of Main Road, near Fonterra's Kauri irrigation farm, from Countryside Environment to RUEE. A similar issue was addressed during the Plan Change 93 hearing process, which related to rezoning of land as "Urban Transition Environment", including nearby at the corner of Vinegar Hill Road and Saleyards Road. After hearing submissions, including from Fonterra, the Hearings Panel rejected the proposed rezoning near Fonterra's irrigation farms.

- 5.6 Fonterra's concerns remain the same as at the time of Plan Change 93, particularly in respect of potential reverse sensitivity effects. Fonterra considers that the reasoning of the Hearings Panel in relation to Plan Change 93 applies equally to Plan Change 86A, in particular where the Hearings Panel found:¹

...the further intensification of subdivision and development in such close proximity to both the [Kauri Site] and the farmland that receives treated wastewater from the [Kauri Site], as contemplated by the proposed UTE zone cannot be supported. The existing activities of Fonterra, as well as other permitted activities on the Business 4 zoned land in this locality, are valued activities to the District and ones that need to be recognised and their continued operation provided for. The proposed UTE zone would not have provided an appropriate buffer between these business activities and potential future subdivision and development that would have resulted from the change in zoning.

- 5.7 If the land south of Main Road is rezoned RUEE, subdivision and urban development will be enabled to a far greater extent than under the current zoning and may transition to more intensive urban development in future. Allowing more intensive residential development near the Kauri irrigation farm will considerably increase the potential for reverse sensitivity effects. For Fonterra (and in my personal experience) these potential reverse sensitivity effects are not theoretical – they are very real, and can have immediate and future (and costly) effects on Fonterra's operations.
- 5.8 In addition to complaints and the potential limitations described above, the other significant issue that arises from reverse sensitivity is future difficulty in obtaining or renewing resource consents. Simply put, the greater the number of neighbours close to our operations, the greater the number of potential receivers and the greater the number of submissions opposing any resource consent applications. Working through the submissions with individual landowners adds considerably to the time and costs for re-consenting and generally results in more restrictive conditions.
- 5.9 For example, when consenting the Jordan Valley irrigation farm, the Northland Regional Council identified a "sensitive area" of approximately 10 ha on Jordan Valley Farm. Condition 22 in resource consent 4373 states:

The 'sensitive' area of Jordan Valley 2 farm as identified in NRC Plan No 4164 (attached) shall not be used for wastewater irrigation for a period of two years from the date of commencement of this consent. It may subsequently be used, provided there have been no justifiable complaints about odour, as determined by a suitably qualified and experience enforcement officer from the Northland Regional Council in

¹ Hearing Commissioners *PC93 Recommendations to Council 21 July 2011* at paragraph 86.

areas beyond the boundaries of the irrigated areas of the Jordan Valley 2 farm within the preceding two year period.

- 5.10 We have not irrigated that area since consent was granted, due to potential reverse sensitivity effects. Fonterra considers it important that similar restrictions are avoided for its Kauri irrigation farm.
- 5.11 Overall, it is Fonterra's opinion that the ideal zoning around its manufacturing sites and associated wastewater disposal farms is rural production, compatible commercial or industrial activity. However, in this particular case, Fonterra acknowledges that the Plan Changes provide a suite of objectives, policies and rules to protect the Kauri Site and irrigation farms, including imposing consenting requirements for sensitive activities seeking to locate near the Site or irrigation farms. Provided that this package of controls is retained, the proposed zoning may be acceptable.

Reverse sensitivity objectives, policies and rules

- 5.12 Fonterra also sought amendments to the objectives, policies and rules in relation to reverse sensitivity effects. Fonterra generally supports the Council's approach to those provisions, which go a long way to addressing Fonterra's issues. However, Fonterra proposes further amendments and clarification, including to:
- (a) Rural Area Objective 2;
 - (b) Rural Production Environment Rule 1; and
 - (c) the definition of Activities Ancillary to Farming, Forestry or Strategic Rural Industry.
- 5.13 These matters are addressed in detail in the evidence of Mr Chrystal.

Height limits

- 5.14 The SRIE that applies to the Kauri Site provides a general 20m height limit, but allows certain infrastructure to exceed that limit up to a height of 65m (including spray drying or evaporation plants).
- 5.15 Fonterra sought that other components of its core operations also be excluded from the general height limit. It sought that boilers, silos, driers and associated stacks and telecommunication facilities be authorised up to 65m.
- 5.16 The Council officer's report recommends rejecting Fonterra's submission on the basis that not enough information had been provided to allow the officer to

assess whether the changes are necessary or appropriate. Further detail is set out below on the reasons for the amendments sought and Fonterra's concerns.

- 5.17 Fonterra proposed to amend the height rule for the Kauri Site in three ways:
- (a) to amend the exclusion for "spray drying" to refer to "driers" generally;
 - (b) to add exclusions for facilities associated with driers, including boilers and silos; and
 - (c) to clarify that stacks and telecommunication facilities, which form part of or are associated with boilers, silos, driers and evaporation plants, do not require separate consents for exceeding the height limits.
- 5.18 The change from "spray drying" to "driers" is to provide a more generic term, to ensure that potential technological changes in the future are included. While the Kauri Site currently uses a spray drying process, a future drier may utilise different technology and therefore not be captured by the rule as drafted (despite being the same height).
- 5.19 The rationale for adding boilers and silos is that those facilities are closely linked to the drier facility:
- (a) Boilers create the heat for the drier – without a boiler, a new drier facility cannot operate. Boilers would be likely to exceed the 20 metre height limit as gas-fired boilers are typically between 20 and 30 metres (though they can be taller depending on the type or brand). Depending on the fuel source (coal, biomass or gas), boilers also have an associated stack above the boiler building.
 - (b) Similarly, a drier facility cannot operate without silos. Silos are used to store milk that is supplied to the drier, store finished product and store wastewater. Silos are typically around 20 metres high, but in some cases can be taller.
- 5.20 Finally, in respect of stacks and telecommunications facilities, the intent was to ensure that those structures ancillary to driers, silos and boilers do not require separate consent. Stacks are closely related to driers and boilers and ensure that air discharges are appropriately dispersed. On advice from Mr Chrystal, Fonterra no longer seeks an exclusion for telecommunications facilities.

- 5.21 Under the proposed provisions, if Fonterra exceeds the 20 metre height limit for the Kauri Site, resource consent would be required as a fully discretionary activity. This has the potential to result in a wide-ranging assessment beyond the non-compliance with the height limit, at considerable cost to Fonterra. For example, full discretionary activity status would allow consideration of noise, odour, landscaping and any other effect – while Fonterra does not consider that there would be an issue with these, the wider consenting assessment would add cost. If the Commissioners are unwilling to accept Fonterra's exclusion, an alternative might be providing a restricted discretionary consenting status for boilers, silos and stacks between 20 metres and 65 metres in height, with assessment limited only to relevant effects.

Traffic movement

- 5.22 Finally, Fonterra opposed a submission by NZTA seeking to include a traffic movement rule in the SRIE. The proposed rule would control the maximum number of vehicles per day as a discretionary activity.
- 5.23 The intersection with State Highway 1 has been upgraded to cater for a significant level of traffic in compliance with the relevant standards. In Fonterra's view, the proposed rule would result in unnecessary consenting requirements on Fonterra.
- 5.24 I understand that the Council addressed the various traffic options in detail when considering the Plan Changes and concluded that the notified rules were the most appropriate option. The section 42A report draws the same conclusion. Fonterra agrees with the Council and supports its recommendation.

6. CONCLUSION

- 6.1 Fonterra's Kauri Site is a critical part of Fonterra's upper North Island manufacturing infrastructure. Fonterra asks that the Hearing Commissioners accept its submissions and amend the Plan Changes accordingly.
- 6.2 In particular, Fonterra seeks that the further amendments proposed in Mr Chrystal's evidence are accepted in order to:
- (a) adequately protect the Kauri Site from potential reverse sensitivity effects;

- (b) provide certainty that the Kauri Site's irrigation farms are provided for in the Rural Production Environment; and
- (c) enable the efficient future development of the site, including by enabling driers, silos, boilers and stacks above the general 20 metre height limit in the Significant Rural Industries Environment at the Kauri Site.