

IN THE MATTER OF of the Resource Management Act 1991 (**'the Act'** or
'RMA')

AND

IN THE MATTER OF of Appeals under Clause 14 of the First Schedule of the
Act in relation to the Proposed Southland Regional Water
and Land Plan Decisions.

BETWEEN ALLIANCE GROUP LIMITED
Appellant

AND SOUTHLAND REGIONAL COUNCIL
Respondent

STATEMENT OF EVIDENCE BY DOYLE RICHARDSON

TOPIC A

15 February 2019

QUALIFICATIONS AND EXPERIENCE

1. My full name is Doyle James Richardson.
2. I hold a Bachelor of Science Degree majoring in Geography and a Post Graduate Diploma in Environmental Science from the University of Otago. I also have a National Diploma in Wastewater Treatment from the Industry Training Organisation Connexis.
3. I have been employed at Alliance Group Limited (**Alliance**) for three years. In my current role as Group Environmental Manager I am responsible for overseeing all environmental issues for Alliance, including Alliance's seven processing sites. I have held this position for over 18 months. Prior to joining Alliance I worked as a Principal Planner at Environment Southland for almost one year, an Environmental Scientist and Senior Environmental Scientist at Aurecon (Australia) for seven years, and Duffill Watts Consulting Group for three years in Palmerston North.
4. I have managed a number of consent applications for surface and groundwater abstractions in New Zealand and a number of projects that required environmental impact assessment and approvals to be sought in Australia. I am currently working on wastewater discharge, cooling water discharge, dam and divert and water take resource consent applications in Southland.
5. I maintain an overview of environmental legislative compliance at all Alliance sites. I provide technical advice to sites as required particularly in areas of odour, water and wastewater and am responsible for ensuring required resource consents are obtained and current across all of our plants.
6. I have primary responsibility for Alliance's continuing certification to the ISO 14001 Environmental Management Standard. Our business was certified to the updated 2015 ISO standard.
7. I have provided the specific Alliance information to Mitchell Daysh and other advisors to enable an assessment of how the Draft Water and Land Plan (**WALP**) may affect our operations in Southland.

8. Alliance has primary appeal points on a small number of objectives in the Draft WALP, as well as a number of policies and rules which will be addressed at a later stage.

SCOPE OF EVIDENCE

9. In this statement of evidence I will provide an overview of Alliance and specifically the company's operations in Southland. I will also describe how the WALP is relevant to our business.

ALLIANCE

10. Alliance is a large meat processing and exporting company operating five meat processing and export plants throughout the South Island, and two plants in the North Island.
11. The company was established in 1948 and is now a wholly farmer-owned co-operative company. On an annual basis, Alliance processes approximately 6 million lambs, 1 million sheep, 200,000 cattle, 115,000 deer and 270,000 calves.
12. As a wholly farmer-owned co-operative company, all profits are returned to the company's farmer shareholder with a portion retained for growth. The company employs approximately 4,650 people (permanent and seasonal staff) and services 4,340 shareholders with over 36% of these based in Southland.
13. Alliance's annual turnover for the 2017/2018 season was \$1.8 billion and operating profit was \$8 million.
14. Alliance has two plants in Southland. These are located at Mataura and Lorneville.
15. The Mataura Meat Processing Plant is located on the true right bank of the Mataura River in the Mataura township and has been at this location since 1893 and has an estimated replacement value of \$225 million. The Mataura Plant is a vital component of the local and regional economy, employing approximately 500 people in the peak of the season and contributing approximately \$160

million per year to the economy (mostly in livestock payments) and approximately \$22 million per year for wages and salaries for the 2017/18 season.

16. The Matura Plant processes up to 1,000 beef cattle per day over two shifts at the peak of the season, for a total of approximately 142,000 per season. The Plant generally operates 5 days per week, over almost 24 hours during peak processing. Sunday processing has also been undertaken recently to assist with the Ministry for Primary Industries' national eradication of mycoplasma bovis infected stock. All further processing of livestock slaughtered at Matura is carried out on-site, except for some transfer of soft offal and bones off-site for further processing or rendering. Processed carcasses and meat cuts are refrigerated and stored in on-site chillers and freezers.
17. The Lorneville Processing Plant was opened in 1960 on its current site in close proximity to the true left bank of the Makarewa River in Lorneville and has an estimated replacement value of \$400 million. Similar to Matura, the Lorneville Plant is also a vital component of the local and regional economy, employing up to 1,800 people during the peak of the season and contributing approximately \$309 million per year to the economy (mostly in livestock payments, with \$43 million of that for contractors/goods/service providers) and approximately \$69 million per year for wages and salaries for the 2017/18 season.
18. The Lorneville Plant also operates over two shifts at the peak of the season. It processes approximately 2.5 million sheep and lamb per season (up to 25,000 per day), 40,000 venison (360 per day) and 80,000 bobby calves per season. All processing of livestock slaughtered at Lorneville is undertaken on plant. The plant also receives product from other processing plants (Pukeuri in North Otago, and Matura) to be processed.
19. The Lorneville Plant is the largest sheep meat export plant in the world.

ALLIANCE'S INTEREST IN THE WATER AND LAND PLAN

20. Water is essential to the operation of both processing plants. At Mataura, water is abstracted from the Mataura River, while at Lorneville it is abstracted from the Oreti River, with a back-up take in place from the Makarewa River. The Makarewa River is a first order tributary of the Oreti River, joining the Oreti close to the mouth of the Oreti River in the New River Estuary.
21. Water is used throughout both plants including:
 - a. Yards cleaning and animal washing;
 - b. Slaughterboard and further processing rooms to maintain strict Ministry of Primary Industry and customer hygiene requirements. This includes sterilisation of equipment used, washing of hands and clothing and cleaning of rooms at the end of shifts;
 - c. Some product transport, for example to stop product becoming stuck in chutes;
 - d. Cooling for engines that provide refrigeration and freezing of product used;
 - e. White water for wastewater treatment (Mataura only); and
 - f. Amenities.
22. Mataura also runs a small hydro-electric plant (which is over 100 years old) on the Mataura River which provides a reliable renewable electricity source that is used directly for powering operations and activities for some of the plant.
23. The treated wastewater discharges from these plants are to the Mataura River for the Mataura Plant and the Makarewa River for the Lorneville Plant. Alliance also has a land based discharge for Lorneville and additional contingency land based options for Lorneville in the event of low river flows.
24. The Lorneville Plant has recently completed a re-consenting process for its water take and wastewater discharges that I was involved with in the later stages. This was largely progressed under the previous Water Plan. As part of that process Alliance undertook extensive consultation and prepared a rigorous

assessment of effects, resulting in a small number of submissions and a relatively short hearing. Alliance was granted the consents it sought and has already achieved improvements in some aspects of its discharge and has committed to significant improvements in its wastewater quality over the short to medium term. These commitments will address key contaminants of concern (nitrogen, e. coli and phosphorus) from the Lorneville discharge. This comes at significant expense to the business (in excess of \$20 million) and demonstrates Alliance's commitment to adopting the best practicable option to improve the environmental performance of its operations.

25. Maitaha is nearing the end of the term for its current water take and discharge consents. Through the life of the existing wastewater discharge consents, Alliance has made significant improvements to its discharge which has resulted in a significant and measurable improvement in the quality of the habitat in the river downstream of the plant. These improvements have included reductions in levels of phosphorus in the discharge (which can result in nuisance growths) and a decrease in low molecular weight biological oxygen demand, which can result in sewage fungus. These improvements were committed to during the previous consenting process and have been acknowledged by stakeholders in the river with whom we meet regularly. Alliance also closed all of its processing operations at its former Makarewa site in 2018 and closed its former sheep meat and calf processing operations at Maitaha in 2012.
26. As the Maitaha consents are due to expire Alliance is currently progressing resource consent applications for the renewal of the Maitaha water take and discharge consents. These applications are due to be lodged in mid 2019. Similar to Lorneville, Alliance is again going through a rigorous assessment of effects process. As a result, Alliance is very familiar with what is believed to be unintended or inappropriate challenges that some of the objectives, policies and rules in the WALP present Alliance's consent applications and how these can be improved. These improvements can be made to the WALP, while still achieving the outcomes the WALP seeks and maintaining the viability of the Alliance processing plants.

27. In addition, Alliance Mataura is nearing completion of the re-consenting process for the hydroelectric plant. As part of the application process, Alliance has offered significant improvements, relative to previous consent requirements, to mitigation and monitoring.

28. We ask that given our experience over time in the management of water, and our current experience with the WALP, that you take into account and place weight on the opinions put forward by Mr Kyle, our planning consultant, and the other experts that may give evidence on Alliance's behalf later in the WALP process.

Doyle Richardson

15 February 2019