

[AS REPORTED FROM THE COMMERCE AND ENERGY COMMITTEE]

House of Representatives, 14 September 1983

Words struck out are shown in italics within bold round brackets, or with black rule at beginning and after last line; words inserted are shown in roman underlined with a single rule, or with single rule before first line and after last line.

Hon. W. F. Birch

SYNTHETIC FUELS PLANT (WATER RIGHT)

ANALYSIS

Title	5. Offences
1. Short Title	6. Board may require cessation of exercise of right
2. Interpretation	7. Revoking certain conditions of existing right
3. Granting right to discharge effluent into Tasman Sea through Waitara Borough Council's marine outfall	8. Water and Soil Conservation Act 1967 not to apply
4. Variation of terms, conditions, etc.	Schedule

A BILL INTITULED

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An Act to grant to New Zealand Synthetic Fuels Corporation Limited the right to discharge effluent into the Tasman Sea through the Waitara Borough Council's marine outfall

New

An Act to grant to New Zealand Synthetic Fuels Corporation Limited the right to discharge plant effluent into natural water at Waitara and to cancel the right to discharge plant effluent at Motunui

BE IT ENACTED by the General Assembly of New Zealand in Parliament assembled, and by the authority of the same, as follows:

No. 12—2

1. Short Title—This Act may be cited as the Synthetic Fuels Plant **(*Water Right*)** (Effluent Disposal) Empowering Act 1983.

2. Interpretation—In this Act, unless the context otherwise requires,—

“Grantee” means New Zealand Synthetic Fuels Corporation Limited, a duly incorporated company having its registered office at Motunui: 5

New

“Plant effluent” means treated effluent, namely—
 (a) A maximum of 40 litres per second of process effluent (including effluent generated during cleaning, testing, start up, commissioning, and operation of the grantee’s plant); 10
 (b) A maximum of 30 litres per second of contaminated stormwater; and 15
 (c) Treated domestic sewage:

“Regional Water Board” means the Taranaki Catchment Commission and Regional Water Board:

New

“Transfer line” means the pipeline to be constructed by the Crown to convey plant effluent from the grantee’s plant property to the Waitara Borough Council’s marine outfall. 20

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3. Granting right to discharge effluent into Tasman Sea through Waitara Borough Council’s marine outfall— 25
 (1) Notwithstanding anything in the Water and Soil Conservation Act 1967 or in any other enactment, there is hereby granted to New Zealand Synthetic Fuels Corporation Limited the right to discharge into the Tasman Sea, through the Waitara Borough Council’s marine outfall, plant effluent as defined in clause 1 of the Schedule to this Act, subject to the terms, conditions, restrictions, and prohibitions set out in that Schedule. 30

New

3. Right to discharge plant effluent—(1) Notwithstanding anything in the Water and Soil Conservation Act 1967 or in any other enactment, New Zealand Synthetic Fuels Corporation Limited is hereby granted the right to discharge plant effluent—

(a) Into the Tasman Sea at or beyond grid reference 717200 North 299323 East (Taranaki Circuit Geodetic, 1949); or

(b) During any emergency which makes such a discharge impracticable—

(i) Directly from the transfer line into the Waitara River; or

(ii) Into natural water at such other point as the Regional Water Board may specify—

subject to the terms, conditions, restrictions, and prohibitions set out in the Schedule to this Act.

(2) The Waitara Borough Council shall at all times do all such things as may be necessary or convenient to facilitate the use of its marine outfall and related facilities to enable the grantee to exercise the right granted by **subsection (1)** of this section and to enable the Crown to carry out its obligations to the grantee in respect of the provision of facilities for the exercise of that right.

Struck Out

(3) The right granted by **subsection (1)** of this section shall continue in force until the grantee, under the Water and Soil Conservation Act 1967 or the National Development Act 1979, has been granted, and is able to exercise, a right to discharge the plant effluent, as so defined, into the Tasman Sea either through the Waitara Borough Council's marine outfall or through an alternative marine outfall, and shall then lapse.

New

(3) The right granted by **subsection (1)** of this section shall continue in force until—

(a) The grantee has obtained or been granted, and is able to exercise, the right to dispose of the plant effluent in some other lawful manner; or

(b) The expiry of the 12th day of March 1992— whichever first occurs, and shall then expire.

Struck Out

4. Variation of terms, conditions, etc.—(1) The grantee may from time to time apply to the Regional Water Board for the variation of any term, condition, restriction, prohibition, or other provision set out in the Schedule to this Act. 5

(2) Every application made under **subsection (1)** of this section shall be determined by the Regional Water Board as if it had been made under section 24B of the Water and Soil Conservation Act 1967, and the provisions of that section, so far as they are applicable and with the necessary modifications, 10 shall apply accordingly.

(3) Every variation made by the Regional Water Board in accordance with this section shall have effect according to its tenor notwithstanding the provisions of this Act.

5. Offences—If the grantee contravenes or fails to comply 15 with the right granted by **section 3 (1)** of this Act or any term, condition, restriction, or prohibition to which that right is subject or any requirement made under **section 6** of this Act, it commits an offence against this Act and shall be liable on summary conviction to the penalties set out in section 34 (2) 20 of the Water and Soil Conservation Act 1967.

6. Board may require cessation of exercise of right—
(1) If in the opinion of the Regional Water Board the grantee has failed to perform or observe any term, condition, restriction, or prohibition to which the right granted by **section 3 (1)** of this Act is subject, the Board may, by notice in writing, 25 require the grantee to cease, at the end of 14 days from the date on which it receives notice from the Board or at the end of such longer period as the Board may specify, the exercise of the right in whole or in part as determined by the Board 30 until the matter is remedied to the satisfaction of the Board.

(2) The provisions of section 25 of the Water and Soil Conservation Act 1967 shall apply to every requirement of the Regional Water Board under **subsection (1)** of this section as if it were a decision of the Board under section 24 of that Act, 35 and the provisions of the said section 25, so far as they are applicable and with the necessary modifications, shall apply accordingly.

7. Revoking certain conditions of existing right—The Fourth Schedule to the National Development (New Zealand 40 Synthetic Fuels Corporation Limited) Order 1982 is hereby amended by revoking clauses 3 and 4.

Struck Out

8. Water and Soil Conservation Act 1967 not to apply— Except as otherwise provided in this Act, nothing in the Water and Soil Conservation Act 1967 shall apply to or in respect of
5 the right granted by **section 3 (1)** of this Act.

New

4. Existing Motunui right cancelled—The National Development (New Zealand Synthetic Fuels Corporation Limited) Order 1982 is hereby amended by revoking clause
10 5 (c) and the Fourth Schedule.

5. Other Acts to apply—Subject to the provisions of this Act, the right granted by **section 3 (1)** of this Act shall have the same force and effect as if it had been granted (pursuant to section 21 (3) of the Water and Soil Conservation Act 1967) by
15 Order in Council under section 11 of the National Development Act 1979; and the provisions of those Acts (other than sections 24D, 24I, 26K, and 26KA of the Water and Soil Conservation Act 1967), so far as is practicable and with the necessary modifications, shall accordingly apply in respect of that right
20 and of the terms, conditions, restrictions, and prohibitions set out in the Schedule to this Act.

6. Penalty for offences—(1) If the grantee is convicted of an offence under section 34 of the Water and Soil Conservation Act 1967 by virtue of having discharged waste originating from
25 the grantee's plant property at Motunui into natural water otherwise than as authorised by the right granted by **section 3 (1)** of this Act, the references in subsection (2) of the said section 34 to "\$2,000" and "\$100" shall, in relation to that offence, be read as references to "\$150,000" and "\$10,000",
30 respectively.

(2) This section shall cease to have any force or effect in respect of any offence committed after the expiry of the right granted by **section 3 (1)** of this Act.

7. Transfer line declared a permitted use—For the
35 purposes of the Town and Country Planning Act 1977 and of the district schemes of the Clifton County Council and the Waitara Borough Council, the transfer line is hereby declared to be a use permitted as of right.

SCHEDULE

(Sections 3 (1), 4 (1)) Section 3 (1)TERMS, CONDITIONS, RESTRICTIONS, AND PROHIBITIONS*Struck Out*

1. In this Schedule, unless the context otherwise requires,—

“Plant effluent” means treated effluent, namely—

(a) A maximum of 40 litres per second of process effluent (including effluent generated during cleaning, testing, start up, commissioning, and operation of the grantee’s plant);

(b) A maximum of 30 litres per second of contaminated stormwater; and

(c) Treated domestic sewage;

“Transfer line” means the pipeline constructed by the Crown to convey plant effluent from the grantee’s plant property to the Waitara Borough Council’s marine outfall.

2. The terms, conditions, restrictions, and prohibitions in this Schedule shall apply in respect of plant effluent components as measured, prior to the entry of the effluent into the transfer line, at a designated sampling point, within the grantee’s plant property, approved by the Regional Water Board.

3. The grantee shall supply to the Regional Water Board for the approval of the Manager plans and specifications of all works within the plant property of the grantee associated with the exercise of the right, showing that the conditions of the right are able to be met. Before applying for approval, prior consultation on techniques and methods shall take place between the grantee and the Regional Water Board and, where there is dispute as to the techniques or methods of implementing an approval, the matter shall be referred for independent arbitration, the arbitration to be conducted in such manner as the Regional Water Board and the grantee may agree upon or failing agreement in accordance with the Arbitration Act 1908. Such arbitration procedure shall not apply to the final approval by the Regional Water Board.

4. The design and maintenance of any works within the plant property of the grantee relating to the right shall be to a standard adequate to meet the conditions of the right, so that the works are not likely to cause damage to any property or injury to any person.

5. The full reasonable costs incurred by the Regional Water Board in carrying out supervision, certification, and approval procedures shall be met by the grantee.

6. Before carrying out any of the conditions involving monitoring, and before the commencement of any programme, the Regional Water Board and the grantee shall confer to enable an agreement to be reached between the Regional Water Board and the grantee on the said programme, provided that if any dispute arises concerning the matters to be dealt with under this condition, the dispute shall be referred to an independent arbitrator to be mutually agreed upon, the arbitration to be conducted in such a manner as the Regional Water Board and grantee may agree upon or failing agreement in accordance with the Arbitration Act 1908, subject to the Regional Water Board being able to monitor without prior agreement with the grantee in the case of emergencies.

SCHEDULE—*continued*

7. The grantee shall keep such records as may reasonably be required by the Regional Water Board and shall, if so requested, supply such information to the Board. The grantee shall, at its own expense, if the Regional Water Board so requests, install such measuring devices as are considered reasonably necessary by the Board for the keeping of such records.

8. The Regional Water Board or its employees or agents shall be permitted access at all reasonable times for the purpose of carrying out inspections and measurements in connection with the right.

9. The maximum daily discharge of biochemical oxygen demand and suspended solids shall be 350 kilograms and 200 kilograms, respectively, in dry weather.

10. The median number of faecal coliform bacteria based on 5 or more samples per calendar month shall not exceed 2500/100 ml measured in snap samples taken immediately prior to entry into the transfer line.

11. The domestic waste-water effluent shall not contain free residual chlorine.

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12. On the basis of 24-hour flow-proportioned composite samples components of the effluent stream as specified by the grantee shall not exceed the following total concentrations:

<i>Component</i>	<i>Maximum Concentration (g/m³)</i>
Iron	3.00
Zinc	4.00
Chromium	0.30
Cadmium	0.02
Lead	0.10
Nickel	0.50
Copper	0.30
Phenols	0.01
Free Chlorine residual	0.20
Halogenated hydrocarbons	0.01
Methanol	10.00
Molybdenum	0.02
Tin	0.05
Hydrocarbons (less than)	5.00
Nalco 7330 biocide	35.00
Nalco 7348 biodispersant	3.50
Nalco 7319 dispersant	8.00
Nalco 7350 corrosion inhibitor	40.00

13. Except as specified in the right, no other plant-generated effluent shall be discharged, but with the prior consent of the Regional Water Board Nalco 7350 may be replaced by a corrosion inhibitor which does not contain zinc or other heavy metals.

SCHEDULE—continued

New

12. On the basis of 24-hour flow-proportioned composite samples, components of the effluent stream shall not exceed the following total concentrations:

<i>Component</i>	<i>Maximum Concentration (g/m³)</i>
Iron	3.00
Zinc	0.70
Chromium	0.30
Cadmium	0.02
Lead	0.10
Nickel	0.50
Copper	0.30
Phenols	0.01
Free Chlorine residual	0.20
Halogenated hydrocarbons	0.01
Methanol	10.00
Molybdenum	0.02
Tin	0.05
Hydrocarbons	5.00

13. The cooling tower chemicals specified below may be used in the plant and their decomposition products may be discharged in plant effluent, but the concentrations as calculated in the plant effluent before discharge shall not exceed the concentrations specified below:

<i>Chemicals</i>	<i>Maximum Concentration (g/m³)</i>
Nalco 7348 (biodispersant)	3.5
Nalco 7319 (dispersant)	16.0
Alfloc 324 (microbiocide)	35.0
Nalco 8339 (corrosion inhibitor)	60.0

13A. Except as specified in this Act or as authorised by any variation made under section 16 of the National Development Act 1979 or section 24B of the Water and Soil Conservation Act 1967, no other plant-generated effluent shall be discharged.

14. The grantee shall undertake continuous tests on the plant effluent for flow, temperature, pH, free chlorine residual, and, if practicable, concentrations of zinc (the latter measured to a proven accuracy of plus or minus 5 percent), the results of which are to be made available on a monthly basis to the Regional Water Board or as may be otherwise required by the Board.

15. The grantee shall undertake daily tests on 24-hour flow-proportioned composite samples of plant effluent for zinc, chemical oxygen demand, biochemical oxygen demand, and suspended and total solids, the results of which are to be made available to the Regional Water Board on a monthly basis or as may be otherwise required by the Board.

16. The Manager of the Regional Water Board may review and amend the frequency of testing upon application.

SCHEDULE—*continued*

Struck Out

17. The Regional Water Board shall undertake appropriate monitoring of the receiving waters and the surrounding shoreline, including monitoring to determine and record any significant changes in the marine environment due to the exercise of the right, and the grantee shall pay a reasonable share of the costs of such monitoring, such share of the costs to have due regard to the use of the Waitara Borough Council's marine outfall being made by persons other than the grantee.

New

17. The Regional Water Board shall undertake—

- (a) Appropriate monitoring of the performance of the Waitara Borough Council's marine outfall and diffuser:
- (b) Appropriate monitoring of the receiving waters and the surrounding shoreline, including monitoring to determine and record any significant changes in the marine environment due to the exercise of the right:
- (c) Such bioassay testing of the plant effluent as may be reasonably required to determine the risk of any detrimental effects of the discharge on edible marine species.

17A. The grantee shall pay its full share of the reasonable costs of—

- (a) The monitoring and testing referred to in clause 17 of this Schedule; and
- (b) Any improvements to the performance of the said diffuser which may be lawfully required by the Regional Water Board in accordance with its statutory powers—

such share of the costs to have due regard to the use of the Waitara Borough Council's marine outfall by persons other than the grantee.

18. The grantee shall carry out such additional further monitoring of effluent as may be reasonably required from time to time by the Regional Water Board, including monitoring related to cleaning, testing, start up, and commissioning of the grantee's plant.

19. After 1 year's operation of the plant the grantee shall undertake, within a period of 6 months and in conjunction with the Regional Water Board, a full survey of effluent contaminant levels, and if the grantee or the Regional Water Board require any variation to the conditions contained in clause 12 of this Schedule an application shall be made pursuant to (section 4 of this Act.) section 15 of the National Development Act 1979 or section 24B of the Water and Soil Conservation Act 1967.

20. Any stormwater originating from process or tankage areas, or areas where the level of contamination or likely contamination is significant, shall be retained in the stormwater holding pond for treatment and discharge into the transfer line.

21. The grantee shall show to the satisfaction of the Regional Water Board that the stormwater holding ponds are designed to retain the expected stormwater flow resulting from a 10-year 24-hour duration storm from all contaminated areas, including that from paved areas.

SCHEDULE—*continued*

22. The grantee shall forward to the Regional Water Board, prior to the commissioning of the plant, a contingency plan for actions to be taken in the event of a spillage occurring or a pipeline failure.

23. The supervisor of the domestic treatment plant shall be required to hold a Grade C waste-water treatment operator's certificate, as issued by the Ministry of Works and Development, as a minimum qualification.