

# TANK Economic Assessments Working Group - Brief



## Purpose

The Economics Assessments Working Group (EAWG) is established to assist the TANK group in its decision making about freshwater management.

Its key purpose is to provide advice about methods or approaches required to assess the economic impacts or implications of management options adopted by the TANK Group and to support collection and interpretation of relevant data and information for these analyses.

## Scope

The EAWG scope is primarily focussed on assessment of property and regional scale economic impacts of management options under various scenarios but it will also examine opportunities for assessment of whether or how access to economic benefits might change under different water management regimes.

The EAWG will also consider and evaluate methods for managing allocation and use of the allocatable water, including during periods of low flow.

## Membership and operation

The EAWG will be made up largely of TANK members, with support staff from HBRC and the TANK project team assisting as deemed necessary. Additional expertise can be sought by the convenors as necessary to assist the group

The EAWG members are as listed below.

The EAWG will be convened and coordinated by Mary-Anne Baker (Senior Planner).

The EAWG will manage its meetings in a way that reflects the collaborative and consensus approach adopted by the wider TANK group.

Meeting times and frequencies will be managed by the EAWG.

The EAWG does not have the authority to commit the TANK Group nor HBRC to any decision or expenditure but will provide advice about potential actions and indicate preferred options.

## Working Group Process and Outputs

1. Quantify the economic value of currently abstracted water in the TANK catchments.
2. Review and clarify scope of options already considered by the TANK in respect of allocation limits and security of supply and (water quality) mitigation measures.
3. Understand where economic impacts on land and water users are likely to arise as a result of any land use and water allocation options already considered by the TANK group.

Include any assessment about potential land use change as a result of new management regimes. Refine this understanding as any new management options and methods are developed by the TANK group.

*The Heretaunga Plains Source Model and the Overseer development team are working on the construction of "model farms". The model farm management systems (input and output information) will be used to calculate nutrient sources and pathways within the source model and predict effects of different land and water use scenarios. The same farm model can also be used to predict economic impacts using economic input and output information.*

4. Work with the Heretaunga Plains Source model developers to ensure development of the farm models is also able to addresses economic modelling and that the model farms reflect Hawkes Bay farming systems as accurately as possible.
5. Identify information sources necessary to help quantify potential economic impacts and assemble information where possible.
6. Work with the source model developers and council GIS staff to identify areas (location and area) of potentially irrigable land and other unmet water demand, and including possible urban demand. Review any previous work (including the 2012 regional water demand survey and the Ngaruroro augmentation project) and identify gaps in information.  
*This information will also inform future discussion about water augmentation and storage options, potentially through the proposed augmentation working group.*
7. Develop further the range of options for managing allocation of water within allocation limits by water permit holders – including allocation and use during periods of low flow and identify preferred options.
8. Consider how the economic impacts under different management options are likely to affect the wider community
9. *Provide advice to the TANK group and the council about sources of expertise and potential assessment methodologies that will assist the TANK in understanding the nature and scale of economic consequences identified through the work outlined above*

### Outputs and reporting

The EAWG will regularly report progress and findings to the TANK Group.

Information assembled and assessed by the group will be provided as short reports that will be included in future Section 32 reports.

### Resources

Additional advice and information will be provided by other HBRC staff including Grant Pechey (Principal Economic and Legal Advisor), Jeff Smith (Team Leader Hydrology), Barry Lynch (Principal Scientist; Land) Malcolm Miller (consents manager)

The Council will provide meeting rooms and secretarial support for recording discussion, collating information and reporting findings.

#### Economic Assessments

**Convenor ; Mary-Anne Baker**

Bruce MacKay

Tom Belford

Ivan Knauf

Mike Glazebrook

Jerf van Beek

Xan Harding

Lesley Wilson

Phil Holden

Mark Clews

Peter Kay

Morry Black

Hugh Ritchie

Nick Jones