



NEWSLETTER

June 2017

Greetings to you all.

It's obviously all quiet on the irrigation front but there is still plenty of activity in our sphere of business – most especially to do with the Land & Water Regional Plan/Canterbury Water Management Strategy (LWRP/CWMS) which, in our Zone, is referred to as the Healthy Catchments Project (HCP).

While we realise that some of you are directly involved in this process through your catchment group activities or may have attended the recent series of public meetings, we'll provide an overview of the process and our view on that.

Nothing startling on the water storage situation (that's good!) but we've got an update nonetheless.

Water metering is still on our agenda and we are expecting that everyone will be aware of the company's policy requiring metering and telemetry for all takes over 5 l/s. By our reckoning, there are about 60 water users who don't appear to have metering and telemetry information that we can access so we will be following up to ensure either you have plans in place or, alternatively that you would like us to manage the upgrade for you to ensure everyone has the right equipment installed for next season.

WATER STORAGE SITUATION

The graph below shows how the storage was boosted significantly with the rainfall in April. We actively managed the level down through April and May to get to a level where we are retaining as much storage as we can but that we are comfortable that we have sufficient freeboard to manage any normal rainfall inflows. We have been operating the scheme to maintain a level of around 90% but we are mindful that this is about 30% higher than the long term average for this time of year. The upgrade of the downstream weir to increase the ability to manage higher flood flows has been a major part of our operating philosophy to hold the lake higher than average.

fall under this policy to have completed the necessary upgrades by 1st November this year.

We are taking a different approach to assisting shareholders with this process and, for those that cannot manage the upgrade process themselves, we will provide a project management service to have the work completed on their behalf. At a meeting of smaller water users late last year, we realised that many did not know or feel confident about organising the upgrade of their installations and it was also felt that a coordinated effort ought provide some cost savings overall if we can deal with suppliers on a group basis rather than individually.

We realise that the cost of this upgrade is significant, especially for those with smaller takes close to 5 l/s but we do need to set the bar at a point and we have adopted the National Regulations on Measurement and Reporting of Water Takes (2010) as a basis for the policy requirements.

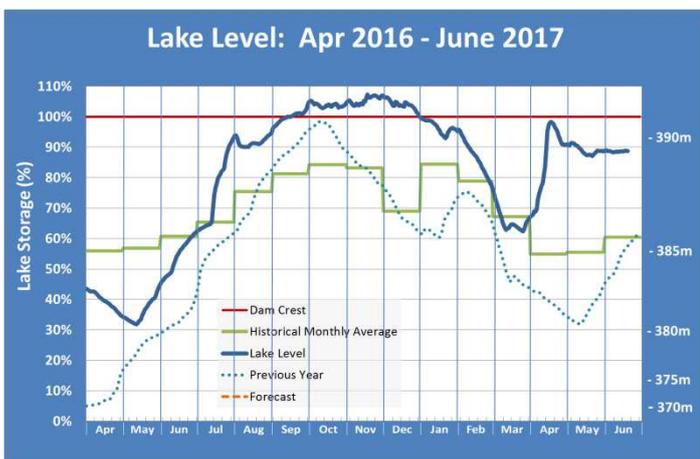
The offer that was made last year for the cost of the upgrades to be spread over five years via a fixed term loan through OWL still applies.

We have a list of approximately 60 remaining shareholders that fall within this policy that we do not currently have access to telemetered water use information.

We realise that within this group there are likely three different situations – water meters installed but no telemetry; water meters and telemetry installed but we do not have access to the data; and those that still have no meters or telemetry installed.

To update our records and plan the way ahead, we will be contacting all of you currently on our list to ascertain if any upgrade is required and, if so, to determine if you are intending to manage the upgrade yourself or if you wish OWL to manage that on your behalf.

While the current deadline for this work is reasonably tight, it is realistic and we will be working with all those still outside of the policy to ensure we have everyone ready for this summer.



WATER METERING AND TELEMETRY

In May last year we advised of a new company water management policy that required all our water users to have water metering and telemetry on all their water takes over 5 litres/sec. The proposed implementation date for this was 1st November 2016 but we became aware that this date was too ambitious for many of you and we did not restrict water supply to anyone who hadn't completed installation by that date.

We are very aware that there are still quite a number of shareholders that have not completed these upgrades, however the OWL Board is clear in their view that this season is a 'no meter, no water' situation and expect all those that

As a point of clarification, the issue arose last season as to who is responsible for water metering in a situation where, for instance, a small shareholder leases their property to another shareholder whose water use on the property exceeds the shareholding of the landowner such that it goes above 5 l/s. The straightforward response to this is that all takes over 5 l/s need to be metered, so it is ultimately the responsibility of the water user (in this case the leasee) to have suitable metering and telemetry facilities to cover their water use at the leased property.

HEALTHY CATCHMENTS PROJECT



Our work in the Healthy Catchments Project (HCP) continues. It is a complex process with a number of workstreams we are involved with. The **Adaptive Management Working Group (AMWG)** has continued to work hard to develop a robust adaptive management regime for the Opihi River to propose to the Zone Committee. Alongside this, OWL and the AMWG have been **meeting with ECan** monthly to ensure the regime is able to 'fit' within a statutory plan. **Catchment Groups** are being given the opportunity to meet with and present their views to the Zone Committee at workshops over the next couple of months. If you are part of a catchment group I would encourage you to be involved with this as it presents an important opportunity to have your say. Julia has convened a meeting of the **'Above Dam'** (excluding Te Ngawai) shareholders to start the discussion regarding the review of the minimum flows and allocation of the Opihi/Opuha tributaries occurring as part of the HCP, as this has the potential to have significant implications for their water takes. The **Te Ngawai Water Users Group** is also undertaking work in this area with the support of OWL. As mentioned in a previous newsletter we have also set up a **Shareholder Reference Group** which meets monthly to discuss various aspects of the HCP and provide a 'litmus test' of any proposals we have. This has proven to be a valuable forum and we appreciate the time and energy those involved are committing to it. We have also engaged George Hamilton from Tavendale and Partners to provide us with **legal assistance and advice**. This is of particular value from a strategy point of view at this stage in the process.

The HCP timeline from here is:

- Present-August – ZC to hold a number of catchment specific workshops. Catchment groups will be invited to present. AMWG and OWL also presenting.
- 18th September – Draft 'solutions package' confirmed by ZC
- October – community consultation on draft solutions package
- November – ZC confirms solutions package
- December – Solutions package presented and adopted by ECan and the District Councils

OWL are very concerned with this timeline and the risk that the best outcomes will not be achieved due to a rushed decision making process. We are making these concerns

known to ECan at a management and Governance level. We strongly encourage you to be involved in the process wherever you can, and Julia will forward by email the details of any public forums/meetings when details come to hand.

DO YOU DO YOUR OWN SURFACE WATER AND GROUNDWATER SAMPLING?

At the last Shareholder Reference Group meeting we discussed whether further surface or groundwater quality monitoring was needed within the scheme. It became clear from the discussion that there are actually quite a number of shareholders doing their own water quality monitoring. We would be keen to get hold of this monitoring data to add to our repertoire of information should we need it for evidence through the HCP. If you are undertaking surface water or groundwater monitoring and you are willing to share your results please contact Lucy Millar lucy@opuha.co.nz.

LAND-USE CONSENTS

If you have more than 50ha of irrigation, it is likely that you will have received a letter from ECan recently stating that you may need to apply for a land-use consent. The current rules state that if you are leaching 20kgN/ha/year you need a consent by July 2017.

Last week OWL held a workshop in conjunction with DairyNZ to help our dairy shareholders understand what is required in the consent application. It is ultimately up to you whether you want to fill out the required forms yourself or you engage a consultant to do so. We do stress though that before you sign up to any consent conditions you need to be sure you fully understand what they mean for your farming operation.

Your Farm Environment Plan will need to be submitted with the consent application. Please contact Lucy if you need your FEP sent to you either electronically or as a hard copy. At the same time she will check your FEP to ensure it will meet ECan requirements.

If there are other non-dairy shareholders that think their nitrogen loss is greater than 20kgN/ha /year who would like some guidance on the consent process, please contact Lucy and, if there is sufficient interest, we will consider another workshop.

SUB-SCHEME MEETINGS

A reminder to all of you within the Kakahu, Totara Valley and Levels Plain schemes of the annual meetings next week:

Totara Valley
Tuesday 27th June, 7pm at Opuha House

Kakahu
Wednesday 28th June, 3pm at St John's, Talbot St

Levels Plain
Wednesday 28th June, 7pm Opuha House

Regards

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