



ENVIRONMENTAL MANAGEMENT POLICY – Poor on-farm environmental performance

This Policy outlines the process for consistently resolving incidents and complaints of poor on-farm environmental performance by shareholders and water users

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Revision Chronology					
No.	Revision Status	Date	Preparer	Checked	Approved
01	<i>Adoption</i>	Nov 2021	JC	WC	Board
02	<i>Internal Review</i>	August 2023	JC	WC	Board

This policy outlines the process for consistently resolving incidents and complaints of poor on-farm environmental performance by shareholders and water users.

Introduction

Poor on-farm environmental performance by OWL shareholders can have serious consequences, creating health and safety risks for the public, leading to adverse environmental outcomes and wasting the precious water resource.

Opuha Water Limited (OWL) is committed to improving on-farm environmental practices within the scheme, and considers poor on-farm environmental management practice to be a serious reputational risk, and threat to this commitment. While Farm Environment Plan (FEP) audits provide a robust mechanism to assess the implementation of good management practice on farm, OWL acknowledge that these audits may not be able to identify and address instances of poor on-farm environmental performance that can occur between audits. OWL considers it appropriate that firm action is taken to ensure any incidence of poor environmental performance notified to the company – through complaints from public or identified by an OWL employee - is rectified promptly.

This policy, therefore, outlines a commitment to addressing poor on-farm environmental performance. The consequences of such poor performance under this policy are also significant. While the cessation of supply of water is a 'last resort' for OWL, should repeat poor performance not be addressed, such action is considered appropriate.

A staged escalation system will be adopted through this policy, which provides the mechanism to escalate the action taken by OWL to address complaints associated with poor performance.

Purpose

This policy specifies the approach OWL will take in resolving incidents and complaints of poor on-farm environmental performance, where irrigation water is provided by OWL.

The purpose of the policy is to ensure consistency of action taken by OWL in response to poor on-farm environmental performance that can be communicated and applied to shareholders and water users and that supports OWLs commitment to improving environmental practices within the scheme.

Definitions

Except where expressly defined in this policy, capitalised words and terms have the same corresponding meaning as those definitions set out in the [Terms and Provisions for Supply of Water](#) and/or the [Short Form Water Agreement](#) (as applicable).

Scope

This policy applies to all OWL shareholders and water users, who are provided irrigation water by OWL.

This policy is consistent with OWL's **Constitution, Terms and Provisions for Supply of Water** that applies to all OWL shareholders, and links to Company requirements to comply with Good Management Practice and related environmental requirements.

Objectives

The objectives of this policy are:

- To ensure a consistent approach to addressing poor on-farm environmental performance by shareholders and/or water users; and
- To ensure compliance with the company Constitution, Terms and Provisions for Supply of Water, internal policies, the Companies Act 1993 and all the relevant regulatory authorities.

Policy Review

The Board may in its sole discretion (subject to the Constitution and the Companies Act 1993) review, update amend or replace this policy at any time.

Policy Requirements

Definition of poor on-farm environmental performance

For the purposes of this policy, poor performance includes, but is not limited to:

- Watering of non-productive land such as impermeable surfaces, roads and river or stream riparian strips
- Excessive use of water whereby the volume of water used for irrigation exceeds that required for the soil to reach field capacity resulting in runoff
- Leakage from pipes and structures
- Impeded fish passage or the entrapment of fish
- Using the irrigation system to distribute effluent or fertilizer without the required backflow prevention and testing
- Cattle or deer in a waterbody that may be linked to flowing water.
- Any other incidence that compromises the consents held by OWL, or poses a reputational risk to OWL and its shareholders.

Complaint procedure

In the event that OWL is notified of an incidence of poor on-farm environmental performance on a shareholder or water users property - through complaints from the public or identified by an OWL employee - all details and supporting evidence will be entered into OWL's Customer Relationship Management (CRM) against the Water User's Account timeline using the 'Complaint' activity tab.

A staged escalation system will be adopted through this policy, which provides the mechanism to escalate the action taken by OWL to address complaints associated with poor performance as follows, and also shown in Appendix 1:

1. On a complaint being received (from public or internal OWL staff), OWL Operation team ('Ops Team') will conduct a physical check to substantiate the complaint, and will record notes/photos in CRM. If the complaint is not substantiated, the complaint is closed. If the complaint is substantiated, Ops will notify the Environmental Team ('Env Team').
2. The Env Team will phone call and email shareholder/water user seeking that the poor performance be rectified and providing timeframes for this action. **Level 1 recorded in CRM system.**
3. At the end of the timeframe given, Ops and/or Env Team will conduct a further physical check to determine whether the poor performance has been rectified, and will record notes/photos in CRM. If rectified, close complaint. If not rectified and/or no reasonable explanation of the poor performance is given, **Level 2 recorded in the CRM system.**

4. The Env Team will again phone call and email shareholder/water user seeking that the poor performance be rectified within 48 hrs, following which Ops or Env Team will conduct final physical check. If rectified, close complaint. If not rectified, **Level 3 recorded in the CRM system**.
5. A Water Committee and Env Team member will visit the shareholder/water user to understand why the poor performance has not been rectified, and seek that the matter is addressed. If rectified, close complaint. If not rectified, **Level 4 recorded in the CRM system**.
6. Env Team will liaise with the OWL CE and Water Committee to consider if the **Level 4** poor on-farm environmental performance is a result of negligence and intention, or a genuine error, and therefore whether it is appropriate to issue a **WSA breach**.
7. The **WSA breach** letter will be issued by OWL CE and will contain appropriate timeframes to rectify the breach, and failure to meet these will result in cessation of the supply of irrigation water.

Notes:

- At any stage where the complaint is deemed to be of a serious nature, OWL reserves the right to escalate to a more appropriate step without following each step in sequence, with approval from the Water Committee.
- The staged escalation system is issue specific. Levels do not escalate across multiple issues.
- If the supply of water ceases due to a WSA breach, it will apply to the individual property in question, not any other properties owned by the Account holder.
- At any level, if the poor performance is rectified, but a further complaint is received for the same issue, the procedure will restart at the last recorded level. E.g. First complaint reaches a Level 2 before being rectified, the second complaint for the same issue starts at Level 2.
- In the event of the Shareholder committing any WSA breach, the shareholder shall remain liable to continue paying the charges and any call on shares in accordance with the Terms and Provisions for Supply of Water.

Complaints (repetitive)

At the commencement of each irrigation season, the staged escalation system will restart. This ensures that any new managers/owners are not held accountable for the actions of previous managers /owners.

However the full complaint history will be maintained against the shareholder or water users CRM Account, and may be considered in the decision of whether to issue a WSA breach.

Use of information

It is appropriate that the FEP Audits are undertaken on-farm using complete information across the year, rather than a snap-shot based on a single visit. OWL will, therefore, provide any history of complaints to the FEP Auditor prior to an Audit when a **Level 3**, **Level 4**, or **WSA breach**, has been recorded.

A summary of all complaints will be reported to the Board on a quarterly basis.

If a substantiated complaint results in non-compliance with a resource consent held by OWL, Environment Canterbury (ECan) will be informed by the Environmental Manager to ensure ECan are kept informed of the steps OWL is taking to resolve the complaint.

Appendix 1: Complaint Procedure Flowchart

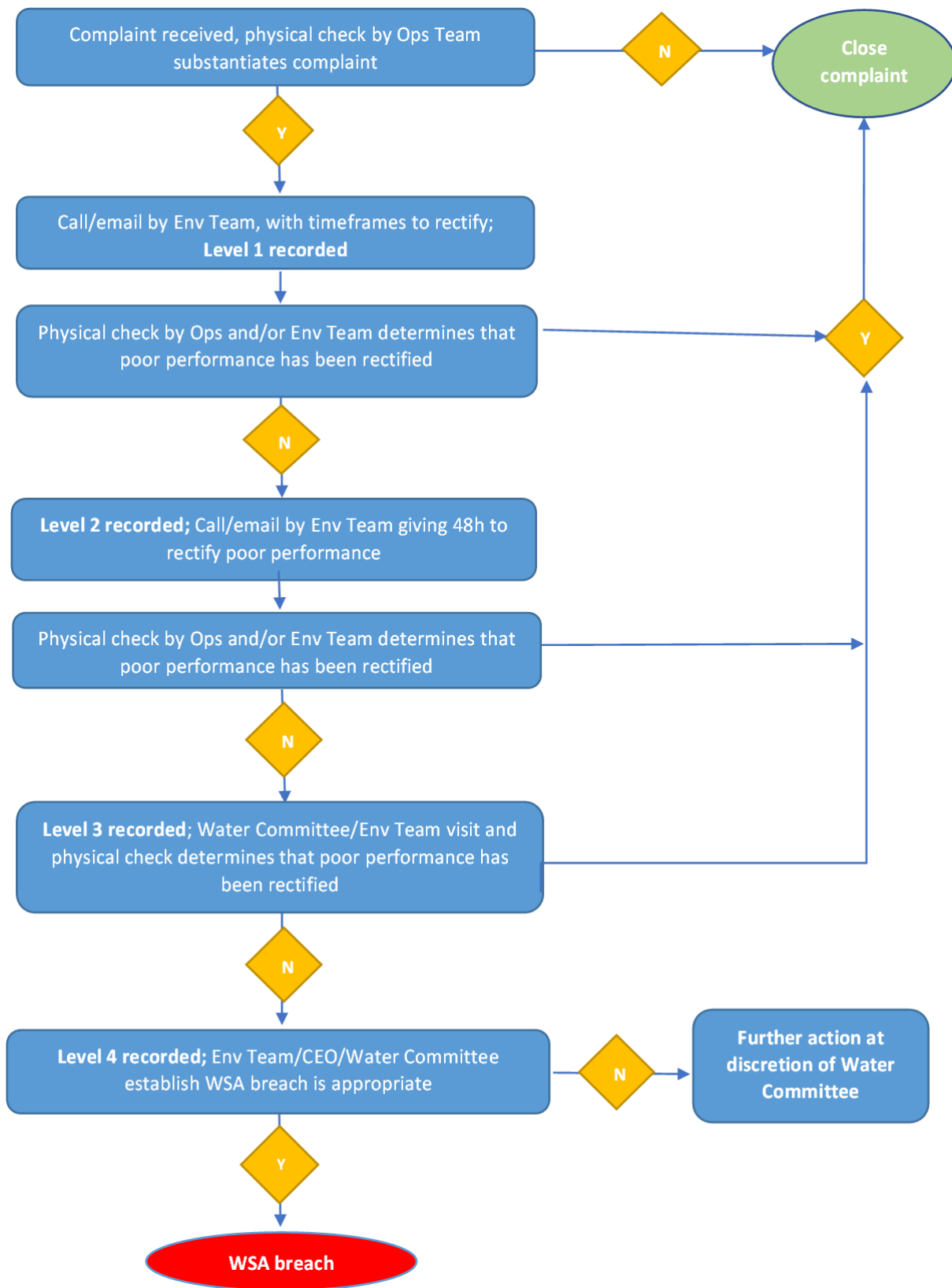


Figure 1 - Flowchart of complaint procedure