



MHVwater Scheme News

Community Wetland

MHV has been working alongside other community and industry groups and businesses on a community wetland initiative.

Our resource consent and social licence to operate will ultimately be judged on the water quality of our rivers, streams and drains. If we do not reach the required targets or show that we are moving in the right direction, our farmers are likely to have further restrictions imposed on their businesses.

Wetlands are renowned for their biodiversity and water quality

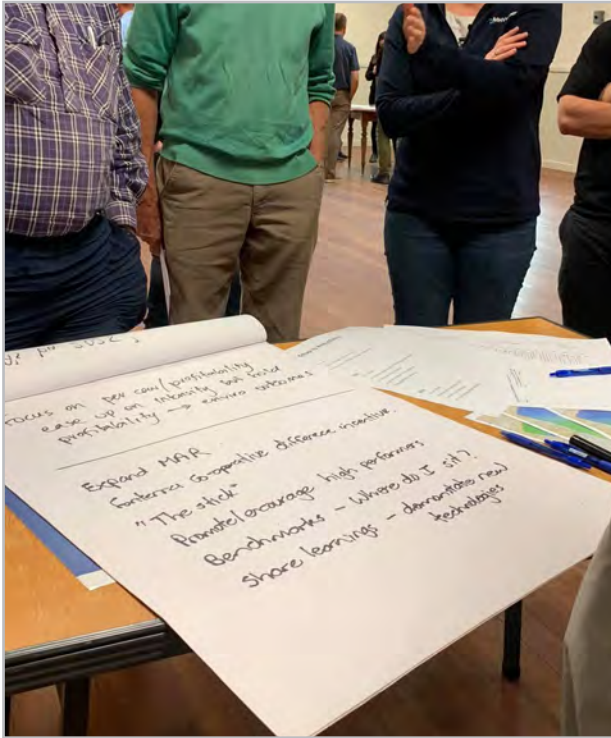
benefits, and MHV in partnership with other groups and entities have now identified a property on the edge of the Hinds river and plan to create a constructed wetland area which will be used for scientific research and educational purposes, with the end purpose of demonstrating improved environmental outcomes.

To date the partners to this project include MHV, DairyNZ, Tavendale and Partners, HHWET, Ashburton Zone Committee, Synlait, Milward Finlay Lobb, Hinds Drains Working Party, Eiffelton Biodiversity Group, ECan and Arowhenua.

The design will be such that it can easily and cost effectively be replicated on farmer properties, to enhance their environmental outcomes also.

It is loosely based on the Kaiwaiwai wetland design which has been hugely successful in Wairarapa.

Pictured above: Kaiwaiwai wetland



Upcoming Shed Meetings

Join us online at our upcoming shed meeting.

Due to the current Covid environment, we have decided to hold an update meeting online and we encourage shareholders and staff to join us for an environmental and infrastructure update.

Monday 28 March, 7pm

Online (we will circulate a Zoom link by email)

We will update you on:

- **Environmental Update**
Current position (what is the Baseline, what is the Reference Period, what is the Authorised Land Use)
Strategic Direction
Objectives
- **Infrastructure Update**
Objectives on each line within the scheme.

The meeting will be recorded and available to view following the meeting if you are not able to join us live online.

Reporting on synthetic nitrogen use

Dairy farmers are now required to report their annual synthetic nitrogen fertiliser use to ECan.

The first report, covering the period from 1 July 2021 - 30 June 2022 will need to be submitted by 31 July 2022. ECan are yet to determine how you will report to them.

They have advised that the report must include the following information.

Land use details:

- The total area of land being farmed
- The area of grazed pasture
- the area of grazed forage crops
- Land use on remaining farmed land, including the area of non-forage crops and un-grazed land.

Fertiliser use details:

- Records of the purchase of synthetic nitrogen fertiliser
- The type of synthetic nitrogen fertiliser applied and nitrogen concentration
- The date and rate at which fertiliser was applied The rate at which synthetic nitrogen fertiliser was applied to:
 - a) grazed pasture
 - b) grazed forage crops
 - c) remaining farmed land.

ECan are currently working with other regional councils around the country on a reporting structure and they'll publish more information on their hub shortly.

<https://www.ecan.govt.nz/your-region/farmers-hub/essential-freshwater-package-farmers-guide/>

Winter Grazing Reminder

As part of the National Environmental Standards for Freshwater that came into effect in 2020, winter grazing is now limited to the maximum area used between 2014 – 2019 of fodder beet, kale, oats etc eaten May to September by an animal with a hoof (including sheep).

Therefore, if you want to increase the intensive winter grazing area above the area included in your Authorised Land Use – a consent from Environment Canterbury may be required in the first instance as well as a Farm Activity Variation Application with MHV.

RDR Fish Screen Tour

RDRML has been undertaking a significant infrastructure project at Montalto, installing a new fish screen to meet consent requirements.

This project has involved considerable investment from RDRML shareholders and is nearing completion.

MHV and RDRML invite you to view the fish screen site prior to

commissioning. As this visit is before the water is in, it will include a walk through and around the screens.

The tour will take place on **Monday 4 April 2022, at 1pm**. There is parking onsite.

We recommend you wear solid footwear, and bring warm clothing and a warm hat.

Under the current Covid framework, a valid vaccine pass is required.

We encourage you to take this unique opportunity to visit this impressive project prior to commissioning.

Meet at the site on Klondyke Terrace, Montalto. This is approximately 6km up Klondyke Rd from the intersection with Montalto Rd.



RDRML Shutdown

The RDR will be shut down on **25 April**, through until **22 May**.

The main trigger for the shutdown is the replacement fish screen project, where they will be cutting the canal over to the new fish screen facility and completing the 'wet commissioning'. They are also planning to carry out repairs at the main intake to address the damage from the floods in

December 2019. The extent of this work is uncertain until they have dewatered and can complete the assessment, but they are expecting that this activity will drive the overall length of the outage.

MHV will manage water delivery in advance of the shutdown to ensure that ponds are full, in case of demand through to the end of the season.



Do you have shares to sell or lease?

We have received an expression of interest to purchase M shares.

If you find you have excess water, you may wish to consider selling some shares.

Please note:

- M share water must remain in the MH or Ruapuna infrastructure, and V share water within Valetta infrastructure, and is subject to the restrictions of the infrastructure.
- All transferring of shares is subject to approval by MHV and there must be no net increase in nutrient leaching as a result.
- Any financial arrangements around the selling of shares shall be the responsibility of the seller and purchaser to determine and enforce.

The same conditions apply for leasing water. Please contact us if you would like to discuss buying, selling or leasing further.

Water Ordering

Do you know that you can alter the delivery flow of water that you order?

You can alter the flow so that you only order what you need.

A lower flow may mean less risk of overtopping your pond and reduce the need to cancel and restart orders.

When your pond is approaching full, please cancel any remaining orders to avoid overflows.

Contact your duty phone if you require any assistance.

A screenshot of a water ordering interface. The form includes several input fields: 'Start Time' set to 08:00, 'Start Date' set to 19/10/2021, 'Order Items' section with 'Max Flow: 90.000' and 'Min Flow: 0.000' (both highlighted with red boxes), 'Duration' set to 1 Day 00 hours, 'Finish Time' set to 08:00, and 'Finish Date' set to 20/10/2021. At the bottom, the 'Flow Rate: (L/s)' is set to 32 (also highlighted with a red box). The interface has a clean, modern design with a blue header for the 'Order Items' section.

Stockwater

Stockwater will not be available in the Mayfield Hinds and Ruapuna zones for the period of the RDR shutdown.

Stockwater will not be available in the Valetta zone for the winter, as the pipe will be drained for winter workstreams.

Please ensure you make alternative arrangements.

New Independent Director

We have announced the appointment of Paul Munro as an Independent Director to our Board following the conclusion of Craig Osborne's term.

John Nicholls, Chair of MHV Water, "One of our pillars at MHV is to have a Robust and Enduring Co-op, and strong, diverse thought leadership within our governance team is a critical ingredient to our long term success. Paul brings a wealth of experience with over 25 years of financial and commercial experience across a broad cross section of companies and industries including a 24 year career as a Corporate Finance Partner at Deloitte and six years as CEO of a publicly owned investment company."

Munro, who commenced in the role on Monday 14 March 2022, said "I'm excited about the opportunity to work with the MHV Water team as they continue to provide the critical irrigation infrastructure to support the wellbeing and economic growth of the Hekeao Hinds Community".

Paul has over 10 years' experience as an Independent Director with his Board experience spanning a range of entities and sectors and is a current or former

Director of Electricity Ashburton, Online Distribution, Lynn River, Orion New Zealand, Toitu Envirocare, Central Plains Water, Spanbild Holdings, and Venues Otautahi.

"The calibre of applicants for this role was extremely high and we feel that Paul's experience, especially in strategy development, finance and capital structuring will add significant value to our existing governance team and support us in delivering sustainable solutions for our community now, and into the future" Nicholls says.

Welcome to the team Paul.



New Team Member

We have welcomed Russell Kelly to the MHV Operations team.

Russ commenced in January 2022 as a scheme operator, supporting the operations team with the delivery of water and the tasks that go with it.

Before joining MHV, Russ has worked in a variety of roles, most of which involved water, including commercial diving and dairy farming.

Russ is looking forward to learning more about the scheme as well as getting into some projects over the winter.



Visiting the Irrigo Offices

Please note that all visitors to the premises at 326 Burnett Street are required to:

- Present proof of vaccination via a COVID-19 Vaccine Pass and scan/sign in using the COVID-19 tracer app
- We ask that you please stay away if you are experiencing cold or flu like symptoms or if someone in your household has been exposed to COVID-19
- Follow all applicable COVID-19 protocols and restrictions including social distancing and mask wearing.

He Waka Eke Noa

He Waka Eke Noa (HWEN) is the Primary Section Climate Action Partnership which is effectively trying to find an acceptable pathway for the food and fibre sector instead of joining the ETS, but still meeting the Climate Change obligations that NZ have signed up to.

The group is made up of a number of industry bodies and the Ministry for the Environment and MPI.

HWEN have released options on how agricultural greenhouse gas emissions could be priced and they are looking for your feedback. The link below carries all the information and feedback closes on 27th March 2022.

He Waka Eke Noa - Primary Sector Climate Action Partnership

<https://hewakaekenoa.nz/>



Dairy Effluent Storage Calculator

Melanie Brooks and Nicole Matheson met with Alastair Rutherford and Shane Gilmer from the Farming Land Use team at Environment Canterbury to discuss the issues MHV Shareholders are having, or may have in the future, with the move to the Dairy NZ version of the Dairy Effluent Storage Calculator.

The Farming Land Use team is in the process of completing the Effluent Auditor Guidance, but until this is finalised there is confusion around how the effluent storage target should be audited.

The meeting was very positive with ECan suggesting MHV Shareholders are a perfect opportunity for case

studies, to ensure the DairyNZ version of the Dairy Effluent Storage Calculator is appropriate.

MHV/Irrigo also provided an advice note to ECan on how auditors should audit against the effluent storage target until the Effluent Auditor Guidance is finalised – watch this space!

MHV Intern undertaking rainfall event analysis

Recently MHV was successful in securing a grant through the Callaghan Innovation Fund to investigate the effects of the rainfall event in May-June of 2021 and how nitrate moves through the soil profile.

Directly following and subsequent to the high rainfall period, MHV collected samples from bores across the Hekeao Hinds Plains, creating an incredibly valuable data set.

With the grant from the Callaghan Innovation Fund, we have employed Sidinei Teixeira in a fixed term position to undertake the data analysis for us.

Sidinei has a science and teaching background, with a post-graduation qualification in Water Resource Management and is embarking on a Master thesis about Managed Aquifer Recharge.

MHV appreciates the grant funding and looks forward to the outcome of Sidinei's analysis.

Sidinei will be working with us until the end of March and her role is fully funded by the grant.

Update to WSA

Some small formatting changes have been made to the schedule of the Short Form Water Supply Agreement (WSA).

The updated document is available on our website.

<https://www.mhvwater.nz/our-scheme/share-registry-and-company-documents>

All shareholders will receive an updated short form water agreement over the course of 2022 to sign and return. The updated schedule will align with the Authorised Land Use.