326 Burnett St, Ashburton 7700 | Telephone 03 307 8389 | info@mhvwater.nz | mhvwater.nz

March 2023

MHMwale Scheme News

Message from the CEO

Kia ora koutou

As we end the first quarter of the calendar year there are a few areas monopolising our attention; Farm Environment Plan (FEP) independent audits, water storage, environmental collaboration and stockwater.

FEP Audits

The audits are a great tool to ensure we are all on track to achieving improved environmental outcomes and they also give us a window into opportunities for improvement. Whilst we remain early in our audit cycle we are already seeing a trend where dairy farmers with clay lined effluent ponds are receiving B grades if they haven't completed a seepage test. A leaky effluent pond is a critical point source that must be addressed as they are hugely detrimental to human health as well as the broader ecosystem.

Given the time to do the test is when your cows are dried off – we recommend all shareholders (who haven't already) have a plan in place to test their ponds as soon as possible this winter.

≥MHVwater

Water Storage

We are multi-generation а infrastructure business. Our mission to deliver sustainable solutions for our community now and into the future, requires a long term strategic approach with a strong focus on resilience and reliability of water delivery. Whilst the Ashburton River restrictions in 2033 remain some time away, the impact to ~14% of our current water supply is considerable, and accordingly we continue to work closely with RDRML and the other RDRML shareholders on the most appropriate way to progress Klondyke storage. This month our Directors visited the Klondyke site and we discussed the previously consented options. We expect the initial stages of these discussions will be able to be shared in the coming months.

Environmental Collaboration

At our shed meetings last year shareholders made it very clear that they wanted MHV to be a resource to support more than just MHV shareholders with our catchment environmental journey. Next week is the first of our shed meetings to discuss the options for nonshareholders to join our enviro programme.



This is a really exciting opportunity to work together with our fellow farmers in the Hekeao Hinds and we've had good feedback from our Rural Delivery maildrop. If you know of anyone who may be interested please let us know.

Stockwater

Finally, we are continuing the work on stockwater delivery with the Ashburton District Council and how we can support an effective and efficient delivery so if you are interested in closing a race, and you haven't already been in touch, please do so.

Ngā mihi Mel

Catchment Leadership Meetings

To support the wider catchment with environmental management we now offer the opportunity for those within the Hekeao Hinds catchment, who are not MHV shareholders, to join our environmental programme.

You will see a flyer come out in the mail, and we are holding meetings to provide specific information and answer questions.

If you know of anyone in the catchment that might benefit from joining our programme, please encourage them to attend one of our meetings to learn more.

Shareholders are also welcome to attend.

- Monday 3 April 2023, 3pm at the Mayfield Hall
- Monday 3 April, 2023, 7pm at the Eiffelton Hall

Ponds and Races

Farm Pond overflows

We are having some issues in the open race where properties are ordering too much water for their pond level/demand, leading to the pond overflowing back into the race.

When this occurs it can create additional challenges for the team including flooding of properties and roading and is a serious health and safety issue as well as being a poor use of the water.

Water ordering must reflect your demand and ability to receive the water. Please ensure all of your team are suitably educated on how to order water and how to determine your demand.

Farm Pond level sensors and electric fences

On farm electric fences and earthing around ponds has been causing some pond sensors to fail. Where the issue hasn't been able to be resolved the scheme will not be replacing affected sensors. If you'd like to discuss alternative fencing options please talk to our team.

An opportunity to stre ronmental Managemen

Ashton Reid Anama Lynnford Waterton

Lagmhor

ZMHVwate

Longbeach Ealing

Flemington Huntingdon Cavendish Colds

Winslow Wheatsto

Eiffelton Cra

Winter maintenance - Race cleaning

If you have areas where race cleanings could be dumped, please contact the duty phones.

Farm Supply race cleaning

Please check your on-farm race between your turnout and pond and clear as necessary. Some are noticeably silted and are restricting inflows.

RDRML and Valetta Shutdowns

The RDR Scheme will be shutdown from Thursday May 4th (evening) to Thursday 18th May for some upgrade work on the fishscreen.

There will be no irrigation or generation water available during this period, as such, our irrigation season for water delivery will end on the 4th of May.

If you wish to have your pond full for the winter period, please ensure you have ordered the necessary water well in advance of the 3rd May order deadline.

Valetta line water will be unavailable over the winter period due to pond inlet upgrade workstreams.

Have you booked in your FEP update?

We are starting the 2023 FEP updates after Easter.

This is a really good opportunity to discuss the actions from your last FEP Audit and answer any gueries you may have about Advanced Mitigation.

We realise for some of you the 2022/23 season hasn't yet finished, but if now is a good time to meet, the yearend data can be provided at a later date.

To book in a time please contact Nicole on 027 205 2355 or nicole@mhvwater.nz.

MHV Scheme News: March 2023

Intensive Winter Grazing (IWG)

Environment Canterbury have indicated that they are planning to fly over Canterbury twice (before the winter and during the winter), with the purpose of educating farmers not enforcement.

Please ensure you have;

- An Intensive Winter Grazing Management Plan (also required for sheep on crop or oats and transitional crops on dairy farms),
- Any crop planted within 5m of a water body will need to be lifted or cut and fed out,
- If you have a boggy corner or wet area, please fence it off.

MHV have submitted a resource consent to Environment Canterbury for landholdings with more than 50 ha of intensive winter grazing. The application has met the initial review (14 March 2023) and ECan have indicated they will start processing the application within 8 weeks.

All MHV Shareholders have now met ECan's requirements under the National Environmental Standards, which were to have applied by 1 May 2023. We will share progress with the consent process as we go.

Clay lined effluent ponds

Clay lined effluent ponds have been the biggest contributing factor to B Audit grades this season.

To achieve a High Level of Confidence for the Effluent Storage target and an A audit grade, an **Effluent Seepage Test** is required.

The effluent pond can only be tested when the pond is isolated (cows dried off).

Please contact Nicole if you would like more information or would like to be put in contact with providers who can carry out the test.

Environmental Charges

We are pleased to advise that we will not be collecting Environmental charges for the final three months of this financial year, being March (due 20 April), April (due 20 May) and May (due 20 June), but note that your Water Delivery Charges will continue to be charged.

We are able to reduce your Enviro costs for several reasons.

- 1. We have much lower Environmental Management Strategy (EMS) costs since bringing the services inhouse;
- 2. The timing of some of our research has been delayed; and
- 3. We have increased Enviro revenue from consultancy.

Not charging for this period will reduce the annual Environmental charge from \$9.50 per ha to \$7.51 per ha for the financial year.

This is a great reflection on the work that our team have been doing in the enviro space to be able to deliver the results they have with an ongoing focus on cost control.

Enviro charges will recommence again in June, with the first payment being 20 July.

We will be in touch in due course with the FY24 water delivery and enviro charges (early May).





3

New Associate Director

Christine Taylor has recently been appointed to the position of Associate Director with MHV. The Associate Director role is for a period of 12 months.

My husband Graeme and I own and operate a dairy grazing property in Ruapuna. Farming has always been an important part of my life and continues to be. I embrace the opportunity of continuous learning and meeting new and interesting people whilst sharing my life experiences.

I have taken on the Associate Director role to gain experience in governance, leadership, and strategy. I want to further my farming career alongside a team of innovative leaders, and as a cooperative, MHV has inspired me for several years.

I believe water is the lifeblood of farming and food production however the consenting and compliance of farming and freshwater practices can be challenging.

support working together 1 in our communities and as a country through education and communication demonstrating our good management practices to give a better understanding, and to progress efficiently whilst working through the environmental requirements in



timely, а productive manner for the best interest of everyone.

Off the farm, Graeme and I enjoy overseas travel and spending time, with family friends, and our grandchildren.



MHV Directors visiting the MH Intake and site of the proposed Klondyke Storage facility. Storage remains a critical strategic opportunity for MHV.

Podcasts

Are you looking for something to listen to in the tractor?

Tune in to our recently published series of about podcasts. Learn animal composting, incorporating Wagyu breeding into the dairy Al cycle, and what's happening with the water below our feet.

Go to Spotify or Apple Podcasts and search MHV Voice to download the or stream podcasts.



We appreciate your feedback on these episodes, and we would also welcome suggestions of other topics that you may be interested in.

Valetta Line failure

On 29th March we identified a significant leak on the Valetta line.

The leak was identified early in the morning by one of our team who was monitoring the pond levels.

A weld failure was responsible for the damage. We have been able to isolate the line, and are working to remedy as soon as possible for those shareholders on the line and the shareholder impacted onfarm.

We are fortunate this has occurred at the end of the season and are updating effected shareholders as timings come to hand.



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 delivery must remain in the MH, Ruapuna or Harris Drain infrastructure, and V share water delivery 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.
- MHV can facilitate a share tender on your behalf if you would like to remain anonymous.

The same conditions apply for leasing water delivery.

Please contact us if you would like to discuss buying, selling or leasing further.

Vehicles in Races

With approx. 320km of open races we remind you to please be careful around the races.

Our water races can be very dangerous, with automated mechanisms, culverts and undertow and unfortunately every season accidents occur where vehicles end up in the races.

Recovery of people and vehicles needs to be carefully managed to ensure the situation doesn't escalate.

If you see a vehicle in a race please call 111, followed by our duty phone as we can divert water, support vehicle recovery and manage any possible spills. It also enables us to track and manage any damage.



5