

IMPORTANT NOTICE

WATER RESTRICTIONS

I would like to update you all on the lake storage situation and implementation of water restrictions from 1st December.

ECan will issue a Water Shortage Direction (WSD) this weekend to take effect from the 1st December and I explain how this fits in with our own water restriction plans.

It is still proposed that 25% restrictions will be effective from 1st December 2014.

WATER STORAGE SITUATION

It is only a week since we issued the last notice and the lake storage situation has continued to decline. I expect that the lake will reach 50% in the weekend.

We have carried out some modelling of the lake storage, looking at different scenarios over the next two months. This work has confirmed the need to take action now to reduce the demand on the lake storage in order to extend the period over which we can continue to provide at least a limited supply for the river flows and for irrigation. At present this work suggests that, if the current conditions prevail, then we would be facing severe restrictions at the end of January. With the restrictions in place, we could gain a 2 – 3 week extension of this cut-off date. We will continue to update the predictive modelling on a regular basis to reduce the likelihood of reaching a cut-off point.

The charts overleaf show our recent history and the currently modelled scenarios.

PROPOSED RESTRICTIONS

The 25% restrictions on water use (based on water share entitlement) are being put in place by Opuha Water Ltd, to be effective from 1st December.

These restrictions will apply, regardless of whether the lake has reached 385m and the Water Shortage Direction from ECan is in effect.

All Opuha Water Ltd shareholders are to observe these restrictions, with exception of irrigators above dam and who abstract from the Opihi. This exemption for these shareholders applies for the first two weeks only. This exemption is to recognise that these irrigators are very likely to face 100% restrictions when the waterways to which their consents apply (North and South Opuha and Opihi via Rockwood recorder) fall below minimum flow. If a continuing or escalated level of restriction is required after two weeks, this exemption will be reviewed and is likely to be withdrawn.

Water Shortage Directive from ECan

As described previously, there is a process whereby ECan issue a Water Shortage Directive which will require all affiliated water consent holders to restrict their water use to 75% of their daily consented volume.

The Water Shortage Direction is to be notified this weekend (the notice will be in Saturday's Timaru Herald) and will be effective from 1st December. The WSD has a 'trigger' level of 385m (50% storage) and the restrictions to consents only apply when the

lake level falls below this level. Under the current conditions, the lake will fall below 385m before the 1st December, however if there is significant rain above the dam it is possible that the level may hold up for a few days in which case the restrictions to consents may be delayed.

Regardless of the lake level and the status of the WSD, the restrictions to irrigators (based on shareholding) are to be effective from Monday 1st December.

When the WSD is in effect, those irrigators with individual consents will be limited to the lesser of 75% of their consented volume or their shareholding.

Restriction Regime

We have heard from most shareholders as to their preference for a reduced continuous take or a rostered waterless day regime and you should all know before Monday what is expected of you.

Water Ordering

Under the restriction regime, it is critical that irrigators maintain accurate water orders with the office so that we can determine the right amount water that must be released from the dam.

We will be checking all water orders to ensure that they reflect water use limited to 75% of the shared entitlement of each user. This limit may apply on a continuous basis (Regime 1) or over a period of 4 days (Regime 2)

Please ensure that your water orders accurately reflect your intended water use so that we can deliver the right amount of water and limit wastage and/or situations where insufficient water is available to you or other users.

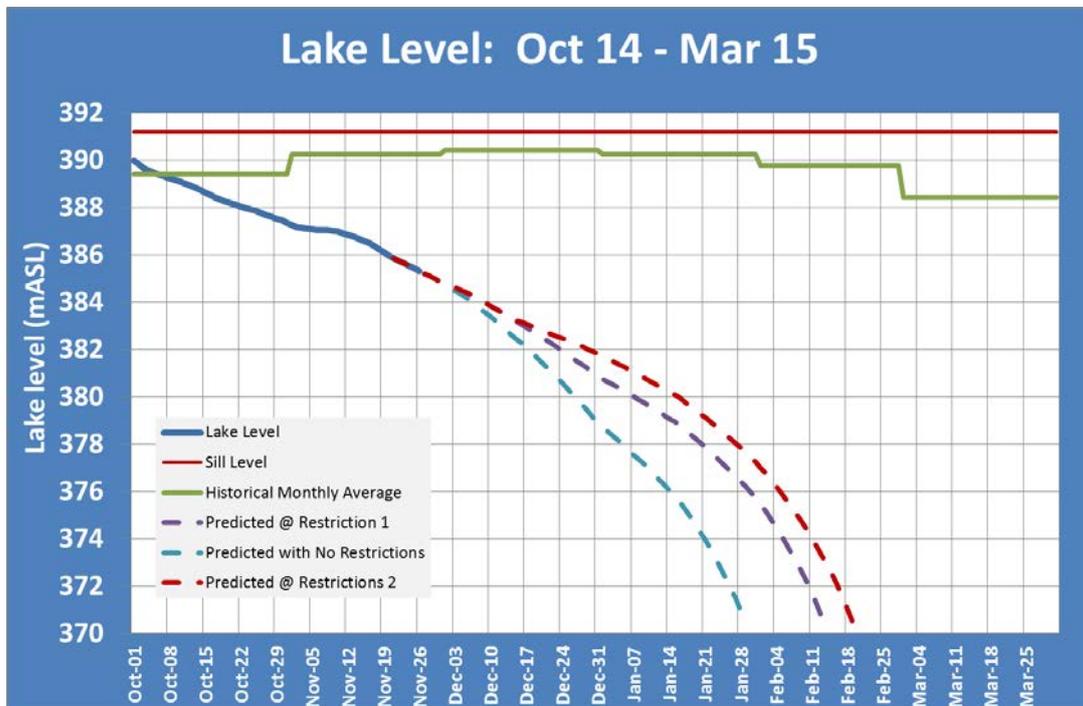
All water orders for 6am Monday 1st December should reflect the restriction regime.

If Circumstances Change ...

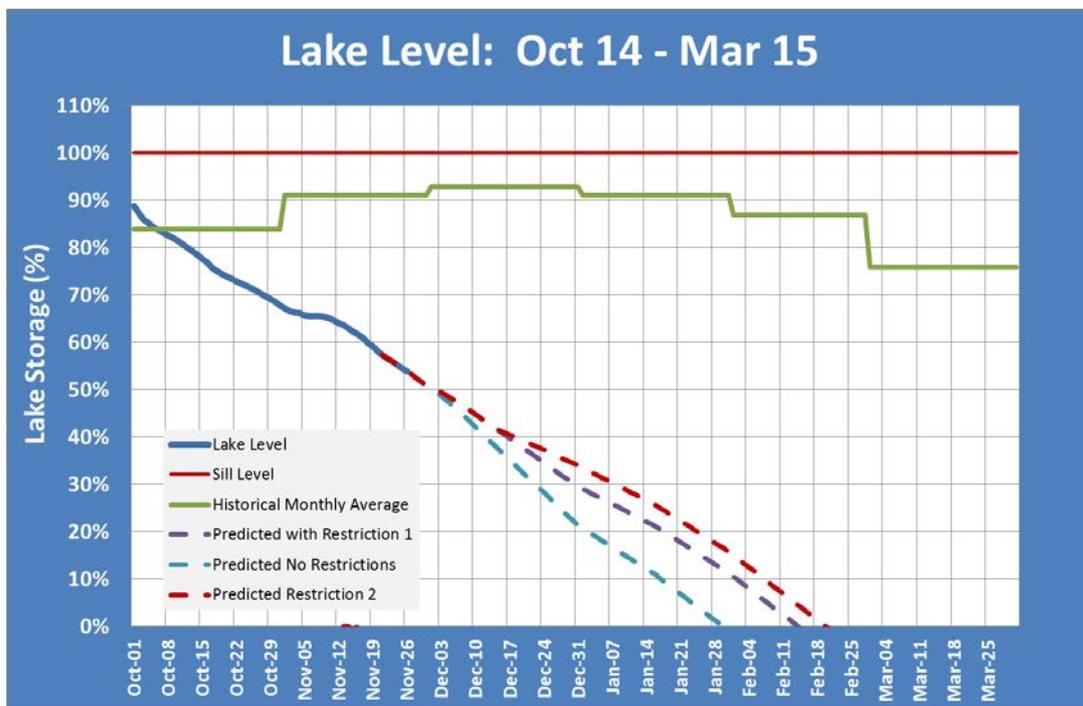
If we are fortunate enough to get sufficient rain to relieve our concerns over our storage, we will review the level of restrictions. Conversely, if the situation does not improve and we continue to lower the lake, we will consider a second level of restrictions (50% restriction). At this stage we anticipate this escalation may occur before Xmas.

FURTHER INFORMATION

Please contact the office (phone or email) if you have any questions or require any further information in preparing for the restriction regime.



Note these two graphs show the same information but with different lake parameters – Level (m) and Storage (%)



Restriction 1:

- i. Irrigation use reduced by 1 cumec from current (25%) and restriction remains through to end January
- ii. The minimum river flow reduced in December by 1 cumec to 5 cumecs and then to 3.5 cumecs through January and February (as per the Regional Plan)
- iii. Inflows diminish from their current temporary 'good' position

Restriction 2:

- i. Irrigation use reduced by 1 cumec from current (25%) until Dec 15th and then reduced by a further 1 cumec. For remainder of Dec. Reduction of 1 cumec in January
- ii. The minimum river flow reduced in December by 1 cumec to 5 cumecs until Dec 15th and then reduced a further 1 cumec to 4 cumecs flow until end of December and then to 3.5 cumecs through January and February.
- iii. Inflows diminish from their current temporary 'good' position (same as above)

Regards

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Please keep an eye on our website and email for any updates