



NOIC NEWSLETTER

FEBRUARY 2019

Welcome

In this month's newsletter we cover water use and charges for the season so far; give you an update on operations; ask for your attention to prevent run-off from irrigation; and give a thanks on sending in your meter readings and a reminder for this month.

Important Dates to Note

- DairyNZ workshop on new ORC rules: Papakaio hall Feb 26th 9:30 – 1:00
- Meter readings to Kathy by 3rd March

CEO Update

The board have embarked on a search for a replacement CEO and have engaged a search firm to assist. Considering the maturity of the company and the focus going forward the job is being advertised as General Manager and applications close 25th February. The board and Robyn have agreed on a transition plan that will keep her engaged until 3rd May, primarily to ensure the budget setting process is as informed and robust as possible. The job and the attached position description can be viewed on Seek and Linked-In.

Confidential enquiries can be made to Graham Ewing or Lynell Bell of EQI Global on +64 3 377 7793 or email at search@eqiglobal.com

Operations Update

Demand across the scheme has ramped up over the last few weeks, highlighted by the **largest ever 24-hour volume irrigated** last week and PS1 delivering over 6m³/s for several hours each day.

Generally, the scheme is performing well. We did have some challenges initially where the low irrigation demand and incredible growing conditions through spring and the start of summer pushed our weed screening infrastructure to the limits.

The control changes we made at several booster pump stations has improved their reliability and the instances of low pressure at offtakes seems to be improved from last year.

Unfortunately, we continue to have the issue of stickers and plastic material blocking some offtakes which has been frustrating for some shareholders. We have made some minor changes in the problematic locations which seem to be improving the reliability of supply.

Network Waitaki have indicated a couple of power interruptions over the coming few weeks, details of these

will be circulated to the affected shareholders as they are confirmed.

Environmental Update

One Billion Trees

The governments' One Billion Trees fund provides amazing funding for all sorts of native, forestry and Manuka projects. If you wish to make use of retired land it is worth checking out. Just google One Billion Trees for more info.

Run-off complaints

Since irrigation got back into gear in January the office has fielded several complaints relating to run-off from irrigation.

The general problem relates to over-irrigation of soils which still have high moisture levels. These are in areas of the farm such as damp gullies and south faces where soils remain wet longer than sunnier, more exposed parts of the farm. Make sure you use soil moisture probes or dig a hole to see how moist the soil is in these areas as part of scheduling your irrigation.

Maintenance has also shown up as an issue alongside a lack of attention to detail in K-line placement.

Please continue to take care when scheduling, maintaining and placing irrigation. Insist that those shifting the irrigators use common sense and don't irrigate wet areas of the farm. Keep on top of your maintenance and employ a policy of 'fix it when you see it'. If you're busy, turn off the irrigator and come back to it.

Monitor your gullies. If water begins to run after 2-3 hours, then shift it or turn it off.

As part of your Environmental Farm Plan you should have identified high risk areas of your farm for run-off. Ensure all irrigation staff are aware of these areas and have a plan in place to ensure run-off doesn't occur, using monitoring to constantly update this based on the soil moisture status of these areas. And whether water is running down the gully below.

NOIC's Resource Consent with the ORC requires NOIC to ensure that all farms "take all practical steps to ensure surface run-off does not occur". Our goal is to have no run-off from any farm, and we ask you to support this goal by driving constant improvement of practices and infrastructure.

If you are receiving run-off from your NOIC neighbour, feel free to call Dylan on 021 0486 253.

Commercial Update

Meter Readings

December readings were slow to come in again, but I am pleased to report there were not as many to round up for the January Readings so a *big thanks* to all those who sent them in by the 2nd February.

Let's see if you can break January's record for the February readings.

So, mark your calendar, set a reminder on your phone, to get those readings in on time.

Readings are due in by end of day on the 2nd March, but luck is on your side as the 3rd is a Sunday so you get an extra day.

There are several ways to send your reading as follows:

Email to: office@noic.co.nz
 Phone: 027 815 2845 or 03 433 1201
 Text: 027 815 2845

Or enter yourself through the Website Portal:

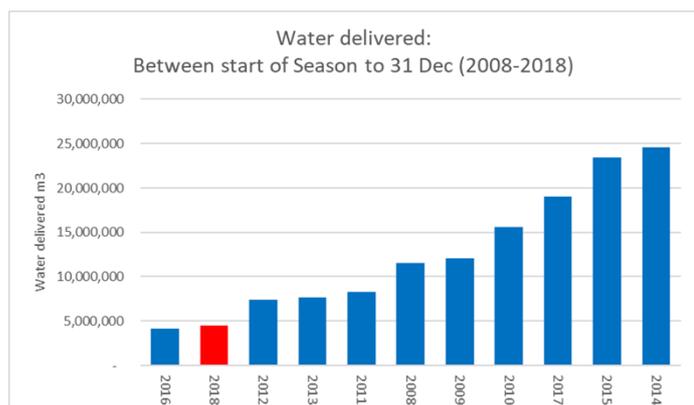
www.noic.co.nz - using your ID and password - enter readings in the February Month. Ring the Office for any access queries.

Remember to include your Offtake number with each reading when not using the portal.

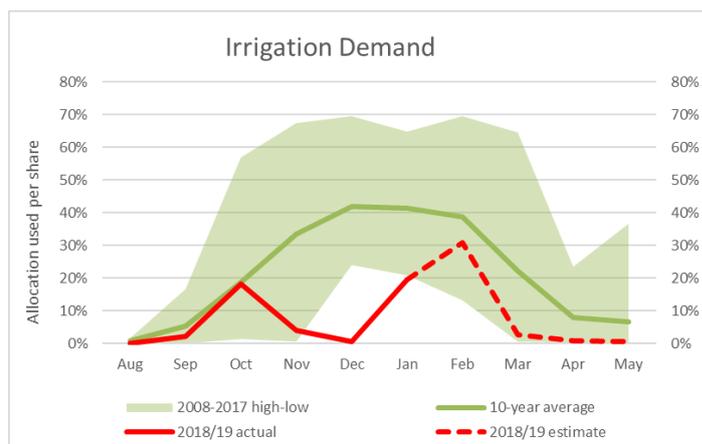
Water Use and Supply Charges

The first half of the season saw unprecedented low water demand along with abnormally high charges.

As you can see in the following graph, total water irrigated from Sept to Dec 2018 (in red) was almost the lowest ever.



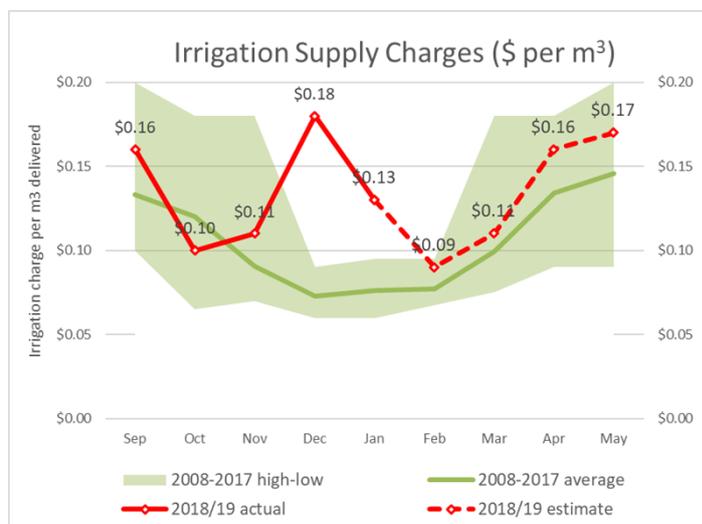
The following graph shows that the spring demand was within the normal range but fell over November and December (in red) which was well below historic norms (in green). December's very low volume was like a winter month and was unprecedented for the time of year.



December and January's supply charges were well above previous years. This reflects low water volumes and budgeted over-recovery of \$500,000 across the season from supply charges.

February's increased demand to record daily volumes will see this month's charges fall to more normal levels.

Over the rest of the season supply charges will vary with volumes demanded.



With kind regards from the NOIC team

Shares Available
 Up to 80 NOIC Shares available for sale and/or lease
 Contact: Derek Chalmers
 027 496 7177

Shares to Lease:
 Brenda McLeod 100-130 shares please call 027 513 1100

22 NOIC shares for sale
 Contact: Doug Rodgers 027 609 9071