

**TABLED AT HEARING**  
Date 22 Sept. 2009

65. Shares for 12,874 ha (77 Mm<sup>3</sup>) were issued by MIC in 2007. Shares for a further 2833 ha (17 Mm<sup>3</sup>/y) were issued in 2008, and 1656 (9.9 Mm<sup>3</sup>/y) shares in 2009, making a total of 17,363 shares. The tranching summary is given in Table 1 below.

Deleted: 1573  
Deleted: 4  
Deleted: 280

Table 1: MIC shares issued (as at Aug 2009)

Sub-region	Allocation Limit (Mm <sup>3</sup> /y)	Total Volume Allocated		
		MIC Shares	Mm <sup>3</sup> /y	% allocated
Lake Tekapo	33	<u>2389</u>	<u>14.3</u>	<u>43%</u>
Tekapo Canal	48	5650	33.9	71%
Lake Pukaki	24.51	4085	24.51	100%
Ruataniwha	3	500	3.0	100%
Ohau B-C	4.29	<u>644</u>	<u>3.86</u>	<u>90%</u>
Lake Benmore	30	<u>3777</u>	<u>22.7</u>	<u>76%</u>
Lake Aviemore	3.6	<u>199</u>	<u>1.2</u>	<u>33%</u>
Lake Waitaki	3.6	<u>119</u>	<u>0.7</u>	<u>20%</u>
<b>TOTAL</b>	150	<u>17,363</u>	<u>104.2</u>	69%

Deleted: 1524  
Deleted: 9.1  
Deleted: 28  
Deleted: 610  
Deleted: 6  
Deleted: 85  
Deleted: 4563  
Deleted: 27.4  
Deleted: 91  
Deleted: 348  
Deleted: 2.1  
Deleted: 58  
Deleted: 0  
Deleted: 17280  
Deleted: 103.7

66. Shares for just over two thirds of the available water have been issued. Currently, two of the sub-regions, Lake Pukaki and Ruataniwha, are fully subscribed. All are within the MIC-Meridian tranching agreement.

67. According to the agreement, the rate of irrigation development is also limited. At the time the MIC-Meridian agreement was signed, irrigation water extraction was expected to occur from the year 2006, with full development by 2013. However, because consents have not yet been granted, it is unlikely that any irrigation water will be taken until 2010 at the earliest.

68. In 2010, the extractable volume under the agreement is 114 Mm<sup>3</sup>/y, but as some tranches are fully allocated, timing of development will need to be managed to meet the terms of the agreement. Applicants, to obtain Meridian's derogation approval, are required to adjust the proposed rate of development to meet the tranching limits.

## Conclusions

69. Although annual allocations are not specified on most existing consents and a precise figure for total allocation cannot be determined, my view is that the WWAP limit of 275 Mm<sup>3</sup>/y specified in Table 5 of the WWAP will not be exceeded.

70. Three methods of determining annual allocations have been assessed. They are the MIC method, the Schedule WQN9 method and the Sullivan method. The Schedule WQN9 method could not be reliably used. The Sullivan method is the most conservative (provides the highest estimate of existing allocation). The most recent estimate of allocation using this method is 266.7 Mm<sup>3</sup>/y.