Adopted:	March 2019
Review:	Every three years or as required
Consultation:	Internal Consultation with Staff
Related Documents:	Collective management of water allocations

#### 1. Scope

This policy applies to all ALIL shareholders wishing to increase the flow of water taken through their property offtake, either through the purchase, lease or transfer of additional shares.

#### 2. Purpose

Increasing the flow of water through a property offtake can have operational implications for the performance of the offtake, the surrounding offtakes and the pipeline as a whole. The purpose of this policy is to facilitate the supply of additional water while ensuring that the capacity in the scheme is fairly allocated between the shareholders, and that other shareholders are not adversely affected by the change.

### 3. Definitions

**Water Entitlement (Flow Allocation):** The flow in litres per second available via an offtake based on the shares contracted for that offtake/property. This will never exceed the maximum supply rate.

**Design Allocation:** The flow in litres per second based on the existing shareholding and flow allocation at the time of the 2013 prospectus plus 18.3%. The design allocation equals the maximum supply rate for the property serviced by the offtake at the time of the design.

**Maximum Supply Rate:** means the delivery of 5mm per day per hectare or 0.58 litres per second of water for each hectare of land to be irrigated by the Farmer (with variation to that rate where water is being taken for storage) or such other rate as may be determined by the Board.

### 4. Policy Details

Increasing the flow of water taken through a property offtake can only be undertaken with the prior approval of the ALIL Board. Any such approval will be documented in the relevant water supply agreements (WSA), or in the case of a lease of water, the ALIL approval for the lease. The Board will consider where situations arise outside of this, on a case by case basis. The decision is at the Boards sole discretion & no recourse whatsoever.

The flow of water taken through a property offtake cannot exceed the maximum supply rate.

In assessing an application to transfer water between offtakes the Board will consider the following guiding principles:

- 1. Applications to increase water entitlement from a property offtake will only be approved where there is no effect on pressure of other shareholders. This will be determined based on the model and with consultation with the Operations Team.
- 2. The property offtake must be large enough to take the combined volume requested in the application. Any upgrade to the offtake will be at the shareholders expense.
- The design allocation is set based on the mm/ha applied at the time of the 2013 prospectus. While shares can be purchased (if available) to increase the water entitlement up to the maximum supply rate, the design flow does not increase.

4. The instantaneous take cannot exceed the Design Allocation.

## 5. Record Keeping:

All approvals made under this policy will be recorded in the WSA for the relevant shareholding, or in the case of a lease in the approval of the lease by ALIL.

# 6. Sign-Off and Revisions:

Revision Chronology					
Rev	Revision Status	Date	Preparer	Checked	Approved
1	First draft	1/3/2019	RAW		Board
2	Reviewed at Board meeting, updated per minutes of 13/3/19	13/3/19	CF		Board