

Media Release

Kerikeri – Monday 26 July 2010



2nd Kaitaia line gets green light

Following an extensive public consultation process and submissions to the Electricity Commission in Wellington, local electricity generation and lines network company, Top Energy has been granted approval to build a second Kaitaia transmission line.

The additional 110,000 Volt line will offer an alternative circuit to the existing high voltage line from Kaikohe to Kaitaia, providing a more secure supply and additional capacity for load growth and new connections in the Far North region.

In working through route and configuration options for the new line, Top Energy and Transpower network engineers modelled several alternatives to identify the most beneficial and cost-effective plan. These included having the second line follow Transpower's existing line up the centre of the island and an alternative route - which follows existing Top Energy lines around the East Coast, from Waipapa to Awanui.

According to Top Energy Chief Executive, Russell Shaw, costs over the two route options varied considerably. "If the new line were to follow the existing Transpower line, each Kaitaia power consumer would have to pay about \$6.00 extra per month. They'd also be the only consumers in the Far North to benefit from the new line. The far more beneficial and cost-effective solution is for us to take the coast route, which enables a cost saving of about \$10 million on the build and cost increases to consumers will reduce to around \$1.30 per month."

By opting for the 130km coast route, consumers living in the Bay of Islands area and up the eastern seaboard, including Taipa and the Karikari Peninsula, will also benefit from improved supply security and not just those in Kaitaia. The coast route also reduces the risk of loss of supply as there will then be two geographically separated supply circuits.

According to Transpower Chief Executive, Patrick Strange, "The leadership shown by Top Energy has been great and the solution should secure a reliable supply in the Far North for decades to come."

As part of its wider network investment programme, Top Energy is also working with Transpower to replace the aging transformers at Kaitaia. Work on the new substations should be completed around July 2011.

Although preliminary work for the second transmission line (such as planning, design, regulatory authority approval and easement negotiations with landowners) has already begun, it will take 4 to 5 years to complete the project, as Top Energy works through the consenting and building phases.

In what represents a major step in the strengthening and capacity building of the Far North electricity network, Top Energy will invest over \$240 million in its network assets, to double the length of its sub-transmission network, move from 10 to 18 zone substations and provide two high capacity transmission lines to Kaitaia. END

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