



MEDIA RELEASE

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ENERGY TRUST COMPLETES GENERATION INVESTIGATION

The Eastern Bay Energy Trust has received an initial report on its recent investigation into opportunities for electricity generation schemes in the Eastern Bay of Plenty. The investigation focused on schemes that addressed the Trust Deed in the provision of sustainable alternative electrical supply options and the support of remote rural lines. In these locations it is felt that alternative energy supply options may be economic in comparison to, or supplement, the grid connected service.

Trust Chairman Toni Owen said "Generation technology has developed significantly over the last decade, and the report highlights some of these advancements, and how they may impact on the development of electricity generation in the Eastern Bay. Generation initiatives that will lead to the economic growth of the region and the sustainability of electricity supply are seen as key Trust objectives".

The utilisation of alternative technologies is becoming increasingly popular as the cost of the technology comes down and the cost of energy goes up. The latter is being driven to some degree by a reduction in the resource of non renewable energy sources or the economic cost of implementation.

Hydro technology is well developed, and the investigation involved a review and update of costs of generation schemes that were identified in previous investigations and reports. The costs per kW to install were found to be still high and it is likely for the larger capacity schemes that additional transmission costs would also be incurred

Wind farms are the new craze within New Zealand and the cost is coming down as the technology is adapted for use in this part of the world. Sadly, for generation purposes, this resource is poor in the Eastern Bay of Plenty although the report stated that there may be some opportunities from second tier sites where the resource is magnified due to terrain or location factors.

The Bay is well served with solar radiation but the technology is still very expensive and better suited, in the photovoltaic area, to small hybrid schemes where solar forms only part of the energy capture system. The development of the technology in solar concentrator systems may prove of value in the future especially if associated with other energy conversion processes.

A great deal of emphasis is being placed on the development of technology for converting biomass to other forms of energy. The gas produced in a waste digester can be used for the generation of electricity or for heating water. The treatment of biological waste of all forms is critical and a solution must be found. Of particular concern is the establishment of suitable systems for the complete treatment of farm effluent waste to ensure that run off into rivers and lakes from dairy sheds is avoided.

A number of investigations and pilot projects are underway within New Zealand to investigate the application of gasification of waste in order to address disposal and treatment problems. The energy by product is an economic benefit to the scheme. Along with the other cost benefits the economics of implementation look attractive.

An assessment of the magnitude of the resource in the four key energy areas (hydro, wind, solar and biogas) resulted in a realisation that in many cases the availability of reliable and site specific data was not available.

An outcome of the report was that monitoring stations be implemented at the sites that were identified for possible hydro and wind development.

A real opportunity exists for the Trust to be a partner in the development of trial bio gasification sites in the Eastern Bay and the report recommends that the Trust develop this partnering strategy with other interested organisations.

A hydro scheme was identified that would meet fully the objective of rural development and electrical supply support and this will be progressed with the establishment of a monitoring station on the river to ensure that the design of the scheme fully utilises the resource at that location.

A number of recommendations were forthcoming including the need to improve the capture of data for the future and the role that the Trust may take in the development of the bio gasification solutions within the Eastern Bay.

The assessment of available data was a critical aspect of this study. It was obvious early in the investigation that data on the resources to be targeted was very scarce. A key outcome of the report was that emphasis be focused on the capture of data to enable a better assessment of any resource in the future. As the need to utilise the resource increases the value of the data will increase.

The Trust appreciates that it has a unique opportunity due to its regional and energy focus to make a meaningful contribution to the economy of the Eastern Bay of Plenty. The Trust wishes to continue as a valued contributor to the social, economic and energy needs of the region.

There are opportunities in the Eastern Bay for environmentally sensitive initiatives that will impact kindly on the environment and also contribute to the energy needs of the region.

Mrs Owen said "It would have been nice to have been able to go forward with some solid projects, but the realisation that there were no easy schemes is a valid outcome of the investigation. Information is identified as being critical, and having an ongoing presence in the generation field and ensuring that data capture is an ongoing priority will eventually pay dividend."

The Trust will continue in the development of the schemes identified and in working with communities or individuals in investigating generation opportunities that will meet its objectives.

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