



Project heats up

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POWER GENERATION: The Ngawha geothermal plant, commissioned in 2008.

Top Energy has bought two areas of land near Kaikohe totalling about 5 square kilometres.

The company is planning to expand its Ngawha geothermal electricity generation in a move that it says could create about 200 new jobs in the area.

"We've been conducting scientific research and modelling since 2007 to understand how much geothermal resource might be available for generating electricity or heat for an industrial process," chief executive Russell Shaw says.

"Although we will not know exactly what we have until we explore through test drilling, we believe there could be enough resource for an additional 100MW of energy."

Mr Shaw says that is enough electricity for every household in the Far North and to export power south to the rest of Northland. It also creates an opportunity for new industry and new jobs.

"We're working closely with the economic development agency Northland Inc to attract an industry that could use the additional electricity or alternatively, direct use of heat from the geothermal fluid," he says.

"Industries like wood processing, dairy processing and aquaculture use significant amounts of heat for their industrial processes in addition to electricity to power their operations.

"Just one of these production plants could create as many as 200 new jobs in the immediate area."

Top Energy owns most of the land needed for the development at its existing power station location near Ngawha Springs village and a newly acquired site about 3 square kilometres between Remuera Settlement Rd and State Highway 12, he says. The company has expanded the site by buying a further 2 square kilometres.

Top Energy expects to apply for its first resource consent next year, which would allow it to drill and identify if an appropriate geothermal resource is present in the northern area.

It will lodge a resource consent application in 2015 to build power stations or steam generating plants if adequate geothermal resource is identified.

The power stations could begin generating electricity from as early as 2020 and Mr Shaw says this is timed well with a forecasted increase in national demand for electricity.

The total 100MW will most likely be generated by four individual 25MW Ormat binary power stations, sourced from Israel, which were also used in the power station commissioned at Ngawha in 2008.

An estimated investment of about \$500 million needed to build the power stations, will come from leveraging existing assets and bringing in some additional investors, Mr Shaw says.

Top Energy will continue to conduct technical and scientific studies, and will now begin consulting with potentially affected parties.

"It is still early days, however, we are optimistic that we can create new opportunities for the region and we intend to work closely with the community and local residents to do that," Mr Shaw says.

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