



## **BULLER ELECTRICITY LIMITED**

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**WEST COAST REGIONAL COUNCIL  
PO BOX 66  
GREYMOUTH**

**Email: [info@wrc.govt.nz](mailto:info@wrc.govt.nz)**

### **Submission on Resource Consents for the Mokihinui Hydro Proposal**

This submission is made on behalf of **Buller Electricity Limited** (Buller Electricity) in accordance with Section 96 of the Resource Management Act 1991. This submission applies to all consents applied for the Mokihinui Hydro Proposal lodged by Meridian Energy Limited to both the **West Coast Regional Council** and **Buller District Council**.

Buller Electricity is a consumer owned lines company in the Buller region supplying electricity services to 4,000 households. We are totally committed to providing electricity at the lowest possible cost to consumers and see the Mokihinui Hydro Proposal assisting with this objective.

#### **This submission is in support of the application.**

The top of the South Island has high energy requirements with low levels of local generation. To overcome this imbalance, the region requires either more local generation or an upgrade of transmission to improve the security of supply and reduce losses.

In the Buller region, consumers currently suffer from high transmission costs, with the majority of generation occurring out of the district.

The long distance to generation causes security of supply issues resulting in power outages. Every winter, industry groups form to manage these security of supply risks to the Upper South Island. The Mokihinui Hydro Proposal (MHP) would provide a long-term solution to issues for the Buller region.

At present, approximately two thirds the power bill of a typical residential consumer in the Buller region is the electricity charges, the other one third is associated with line charges. Buller Electricity has a low number of consumers served through the local network (7 consumers per km of line) compared with large urban areas such as Auckland (31 consumers per km of line). The provision of services by Buller Electricity to the scheme will reduce the average cost per consumer of distribution services.

The economic benefits to the Buller region from the proposed hydro scheme are enormous. Electricity prices would benefit significantly by relieving constraints (\$2M to Buller) and reduced losses (\$1.7M) providing a reduced wholesale electricity price for the district.

The scheme would reduce the wholesale price risks that retailers selling electricity in the Buller District currently add in to their retail prices. This should encourage retail competition, resulting in lower retail prices.

The MHP has a real potential to result in a reduction in the transmission costs for consumers. With Buller Electricity being a publicly owned trust, all transmission and distribution savings go directly to Buller residents.

In addition, the hydro scheme would be a step towards achieving government policy of 90% renewable energy for New Zealand by 2025.

On this basis, we request that the consent authority grant all consents as requested by the applicant.

**We wish to be heard in support of our submission.**

Yours sincerely,



**MIKE McSHERRY**  
Chief Executive  
Buller Electricity Limited

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