



Report PE06.611
Date 1 November 2006
File RE/01/04/01

Committee Policy, Finance and Strategy Committee
Author Tony Shaw Manager, Engineering Services

Stoney Creek wind farm development: Expressions of Interest

1. Purpose

To request the Committee to approve a change in the number of companies that are invited to submit an Expression of Interest (EOI) for a possible wind farm development on the Stoney Creek site.

2. Significance of the decision

The matters for decision in this report **do not** trigger the significance policy of the Council or otherwise trigger section 76(3)(b) of the Local Government Act 2002.

3. Exclusion of the public

Grounds for exclusion of the public under section 48(1) of the *Local Government Official Information and Meetings Act 1987* are:

That the public conduct of the whole or relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist, i.e. commercial negotiations.

4. Background

The Policy, Finance and Strategy Committee and the Rural Services and Wairarapa Committee approved the seven tenderers selected for the Puketiro wind farm site being invited to submit an Expression of Interest for development of the Stoney Creek site in the Wairarapa. Details are outlined in Attachment 1, Report PE06.240 of June 2006.

Over recent months, resources have been concentrated on the Puketiro tender process, these resources will shortly be available to prepare the Stoney Creek EOI documents.

5. Wind farm developer selection

Approval was given for seven tenderers for the Puketiro site to be invited to submit an Expression of Interest for development of the Stoney Creek site. However, of the seven tenderers who were sent documents for the Puketiro site, only five submitted a tender. TrustPower advised that after they had analysed the wind speed data, there was a reasonably close correlation between the Puketiro site and their development near Palmerston North. In order to minimise the risk, they were looking for a site with much less wind speed correlation, hence they preferred not to tender. Acciona, from Australia, indicated that they were not tendering but did not give a reason.

Of the five tenders received, four were compliant and the fifth from Contact Energy was openly non-conforming and they concluded that, from their point of view, the Puketiro site was not economic.

On the basis of the above, it would seem that at the present time there are only four companies who are serious about possible wind farm developments on Greater Wellington Regional Council land. Accordingly, it is now proposed that only Genesis Energy, Meridian Energy, The Mighty River Power Company and Renewable Energy Systems Holdings Ltd (RES) are invited to submit proposals for the Stoney Creek site.

Because the Council originally approved the number of companies that are to be invited to submit an Expression of Interest for the Stoney Creek site, the variation to the number is being referred back to the Council for approval.

6. Recommendations

That the Committee:

1. ***Receives the report.***
2. ***Notes the content of the report.***
3. ***Amends the number of companies invited to submit an Expression of Interest for the development of the Stoney Creek site from seven to four. The four being those who submitted valid tenders for the Puketiro site.***

Report prepared by:

Report approved by:

Tony Shaw

Manager, Engineering
Services, Water Supply,
Parks and Forests

Murray Kennedy

Divisional Manager, Water
Supply, Parks and Forests

Attachments

Attachment 1: Report PE06.240