



29 May 2019

Media statement

Contact takes next step in developing world class geothermal project at Tauhara

Contact Energy is drilling a series of appraisal wells on the Tauhara geothermal field as it builds towards a final investment decision for a new power station in 2020.

“We will be working with Tuaropaki Trust-owned MB Century to drill four appraisal wells on the Tauhara geothermal field, which is a high quality and globally significant resource,” Chief Executive Dennis Barnes said.

“A potential new geothermal power station at the foot of Tauhara Maunga is New Zealand’s cheapest and most attractive option for renewable baseload electricity generation,” he said.

Mr Barnes said geothermal energy was important in the transition to a low-carbon future as it provides baseload generation unlike weather dependant wind, solar or hydro generation.

“Geothermal energy can also provide a low carbon supply of direct heat for industrial processes and we are working with a number of interested parties on prospective developments.”

Mr Barnes said Contact was proud of its historic links to the local Taupō community which goes back more than 60 years to the commissioning of the Wairakei geothermal power station in 1958.

“Geothermal development and production is economically significant to regional New Zealand economies. This drilling investment is expected to cost approximately \$30 million, the vast majority of which will be spent in New Zealand.”

The drilling programme will commence in August and complete in early 2020.

– Ends –

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About us:

Contact is one of New Zealand’s largest energy retailers and generators. In recent times the company has invested around \$1.7bn in building a flexible, reliable and renewable generation portfolio which is now more than 80% renewable.

For more about Contact’s position on Climate Change please visit:

<https://contact.co.nz/aboutus/sustainability/emissions>

Contact – our Geothermal Story

A long history and bright future in the region

1958



Wairakei



Ohaaki



Poihipi



Te Huka



Bioreactor



Te Mihi



Contact's geothermal electricity makes up **8% of New Zealand's electricity supply**



Contact employs around **150 people** in Taupō directly and many more indirectly



We spend around **\$55 million annually** in the Taupō region



We provide **low carbon** process heat for industry and support tourism in the area



Te Mihi build contributed **\$60 million to the region** and at the peak of construction, over **600 people were involved**, many of them locals



The next phase is now underway as we invest in excess of **\$30 million** for drilling on the Tauhara field