



Harapaki Wind Farm Development

December 2019 Update

Kia ora koutou

It is our pleasure to be sending you the first of our regular communications regarding Meridian Energy's wind farm project in the Hawke's Bay.

Our Harapaki wind project involves the development of a wind farm in the Maungaharuru Range, approximately 35km northwest of Napier in the beautiful Hawke's Bay region.

I've already spoken to some of you personally about this development at the recent Te Pōhue Community Meeting. We received some valuable feedback at that meeting and this eNewsletter is our way of providing regular and timely communication to all of you as the project progresses over the coming months. Please feel free to forward on to anybody else that you think may be interested.

If you have any questions or concerns, please email me at harapaki@meridian.co.nz. I am travelling a lot between Wellington and the Hawke's Bay, but we will endeavour to reply to you as soon as possible.

Ngaa mihi

Robert Batters

Project Manager - Harapaki wind farm project

The meaning of Harapaki

Harapaki was a name selected by the people at Meridian Energy. The word itself translates to 'escarpment', reflecting the dramatic limestone escarpments of the Maungaharuru range.

For some in the region, harapaki also has a local translation of 'looking forward' – a nice nod to the role that renewable energy plays in shaping a healthier future for our country.



Current status of the project

For the past ten years, electricity demand in New Zealand has been relatively flat – but demand is now increasing. Given that New Zealand is one of the most sustainable countries in the world when it comes to energy generation, Meridian wants to meet this increasing demand with 100% renewable energy, for instance – wind.

Out of a number of potential generation developments that Meridian has in the pipeline, Harapaki is our preferred option to proceed with next to meet growing demand.

The project team and I are currently working on a detailed business case to present to the Meridian Energy Board in the first half of 2020. If they approve the business case, we hope to start construction after Winter next year.

Initial tenders have also been issued for civil works and wind turbine supply; the responses are currently being evaluated by the project team.

Some safety improvements at the wind farm site entrance on State Highway 5 are also underway. These works are being undertaken in co-ordination with NZTA who also need to undertake pavement remediation in the area. These works are planned to be completed by Christmas.

Tiwai Point announcement

You've probably heard in the news that Rio Tinto is conducting a strategic review of their operations at the Tiwai Point aluminium smelter in Southland.

The Tiwai Point smelter uses about 13% of the total electricity generated in New Zealand. If Rio Tinto do decide to close down the smelter (the strategic review will be complete in the first quarter of 2020), this will cause some changes to the wider electricity market.

At this stage, the development of Harapaki's business case continues at full speed. Once the outcome of Rio Tinto's strategic review is known, we will review our position and whether we alter our current timelines for developing Harapaki.

At the end of the day, Meridian is committed to generating 100% renewable energy for New Zealand. As more industries move away from carbon-heavy energy and towards renewable sources, wind farm sites like Harapaki will help our country meet our future energy needs in a clean, renewable way.

Meridian's commitment to the communities we operate in

Meridian takes great pride in building positive and longstanding relationships with the communities in which we operate.

Part of this relationship includes our 'Power Up' community fund which supports local projects in the areas where we have wind farms and hydro stations. It's one of the ways that we recognise the importance of local communities to our operations.

We envisage establishing a similar fund for the communities in the vicinity of the Harapaki wind project.

We can discuss this in more detail over the coming year but in the meantime, the following <u>video</u> summarises some of the community projects the Makara community has invested in using Meridian's Power Up community fund.

And lastly...

Just before I sign off, at the recent Te Pōhue Community Meeting I was asked if I could provide some simulations of what the wind farm will look like once constructed. I'm hoping to get these published on the Meridian website shortly. I'll get back in touch in the New Year as soon as these are up.

In the meantime, if you a have any questions, please send them to harapaki@meridian.co.nz and we will endeavour to get back to you as soon as possible.

Wishing you a great Christmas and happy holidays.