



Harapaki Wind Farm Development, Hawke's Bay

August 2020 Update | EDITION #3

Kia ora koutou

I hope you and your loved ones are doing okay as we manage this second wave of COVID-19 in Aotearoa. We've managed to tackle it once before, so fingers crossed we will do it again.

I want to give you an update on Harapaki – Meridian Energy's wind farm development project in the Hawke's Bay.

As I mentioned in my last update, we have been doing a lot of work to get us 'deployment ready' if we received approval from the Meridian Board to commence construction. We've also been working closely with our suppliers and service providers to understand how the COVID-19 pandemic impacts the global supply of major plant and equipment, as well as how a major construction project operates under COVID-19.

Closure of the Tiwai Point Aluminium Smelter

You also would have read in the news the decision by Rio Tinto (owners of the Tiwai Point Aluminium Smelter in Southland) to exit their New Zealand operation. The Tiwai Point Aluminium Smelter uses close to 13% of the entire country's electricity supply. As has been widely reported, Meridian has put a proposal to Rio Tinto with the aim of allowing them to close down the smelter over a longer period of time – Meridian has suggested up to four years. To date, that proposal has not been accepted, and Meridian's current expectation is that the smelter will close on 31 August 2021.

Decision to defer construction

With these factors in mind, the Meridian Energy Board has decided to defer the construction of the Harapaki wind farm.

While we strongly believe in the economic benefits this construction project will bring in terms of employment opportunities as well as providing clean, renewable energy for New Zealand, this year has presented us with many unexpected challenges and uncertainties, and we think it wise to delay the construction until we are clear of them.

As stakeholders in this wind farm, we know the decision to defer, and the uncertainty it creates, will be frustrating. We will review the build decision in due course with Spring 2021 being the earliest possible commencement date.

We remain committed to this wind farm and the benefits it will bring to the Hawke's Bay community and we'll be back in touch later this year with a further update.

Please feel free to forward this update 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.

Ngaa mihi

Robert Batters

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