



ENERGY MATTERS 2015

Join the debate on our energy future

Tania Simpson

The power of partnerships- energy sector relationships with Iwi and Maori land owners

Thursday 28 May, 6.30-7.45pm

www.energymatters.auckland.ac.nz



**THE UNIVERSITY
OF AUCKLAND**

BUSINESS SCHOOL

The Power of Partnerships

Energy Sector Relationships with Iwi and Maori land owners



Presented by:

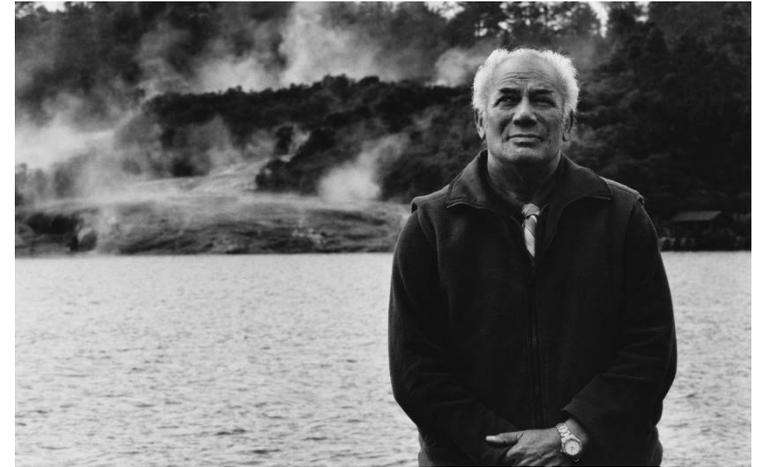
Tania Simpson
Director of Mighty River Power

Gavin Williamson
Hydro Generation Manager and Group
Health and Safety Manager



Welcome & agenda

- > Cultural Context
- > Treaty of Waitangi
- > Accessing land with renewable resources
- > Commercial development with Maori land trusts
- > Mighty River Power's long-term commitment to iwi partnerships
- > Mighty River Power's geothermal development programme – benefits to the company and the country



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> Cultural Context

> Treaty of Waitangi



Sir Sam Andrews



Accessing land with renewable resource



Top: Doug Heffernan and Aroha Campbell



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MIGHTY RIVER POWER





Mighty River Power

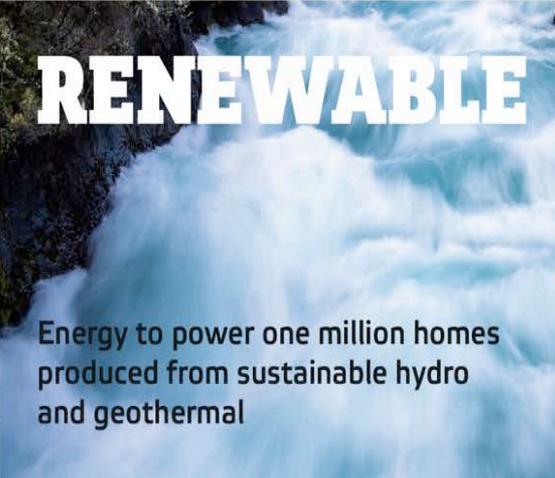
CUSTOMER CHOICE

Retail service and product innovation with 4 leading brands for business and households



RENEWABLE

Energy to power one million homes produced from sustainable hydro and geothermal



#2

Metering provider in the New Zealand market, with Metrix's data and technology services



ZERO HARM

Safety is a primary focus with our aim of zero-harm through *Together. Safe.*



100,000

Retail and institutional shareholders alongside the Crown as our majority owner



TRUSTED PARTNER

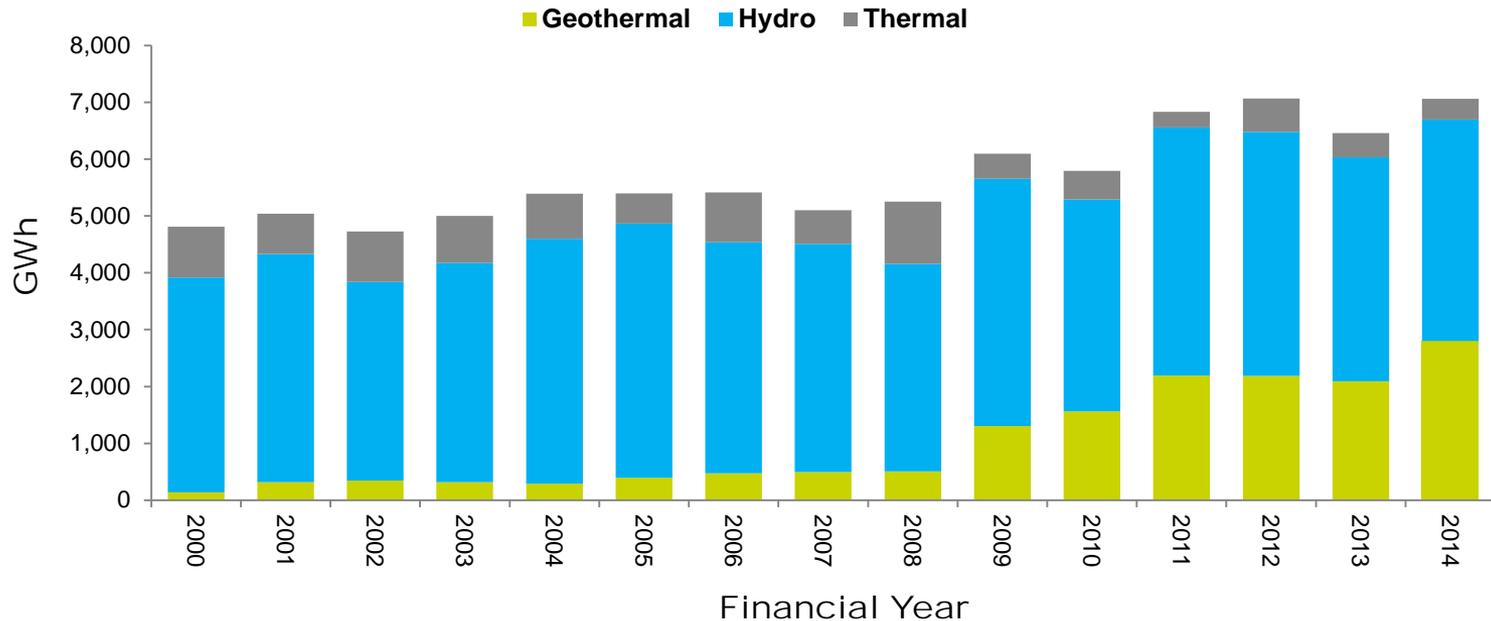
Track record of commercial success and growth built on deep and valued partnerships



Mighty River Power's track record of strong relationships with river iwi provided the basis for geothermal partnerships

Mighty River Power's geothermal growth

- > One of the world's largest geothermal power station owners
 - > successful track record in geothermal development and operation
 - > Geothermal now makes up 40% of total annual generation
- > Over \$1.4 billion spent on geothermal development over the last 6 years



Note: FY2014F is based on Mighty River Power's PFI included in the Investment Statement and Prospectus dated 5 April 2013

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Strength of partnerships

- > Long-term partnerships with Maori Trust land owners a key foundation of Mighty River Power's successful geothermal development.



Joan Withers, Rangimarie Ngamotu, John Key



Strength of partnerships

- > Business models that enable equity involvement and economic participation and sustainable revenue.
- > Partners to generate long-term value related to their land and its resources.
- > Invest the returns for the benefit and well-being of their people.



Doug Heffernan, John Key, Rangimarie Ngamotu, Joan Withers
Aroha Campbell



Rawiri Te Whare, Rangimarie Ngamotu, unknown, Ngahihi Bidois, Aroha Campbell,
Adelle Barsdell

Strength of partnerships

> Ngatamariki:

- > Development rights for the reservoir were jointly secured with Maori landowners Tauhara North No.2 Trust in 2000.
- > Tauhara North No.2 Trust receives a revenue stream and has an option to take an equity stake in the plant in the future.



Commercial partnerships with Maori land owners

> Kawerau Geothermal Power Station

- > 100MW, commissioned 2008
Owned and operated by Mighty River Power
Steam or land access arrangements with Ngati Tuwharetoa Geothermal Assets Limited, the Putauaki Trust and Norske Skog Tasman Limited



> Ngatamariki Geothermal Power Station

- > 82MW, commissioned 2013
Owned and operated by Mighty River Power
Mighty River Power and Tauhara North No.2 Trust jointly own the fuel rights for the Ngatamariki geothermal reservoir
Tauhara North No.2 Trust option for up to 50% interest from 2023.



> Nga Awa Purua Geothermal Power Station

- > 138MW, commissioned 2012
Mighty River Power – 65%, Tauhara North No.2 Trust – 35% with the option to increase to 50%.
Operated by Mighty River Power



Commercial partnerships with Maori land owners

> Mokai Geothermal Power Station

- > 112MW, acquired 2003 then expanded
Owned by Tuaropaki Power Company Limited –
Tuaropaki Trust – 75%, MRP – 25%.
Operated by Mighty River Power



> Rotokawa Geothermal Power Station

- > 34MW, acquired 2000
Owned and operated by Mighty River Power
A company owned by the trustees of Tauhara North
No.2 Trust have the option to purchase 50%



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Profit with purpose

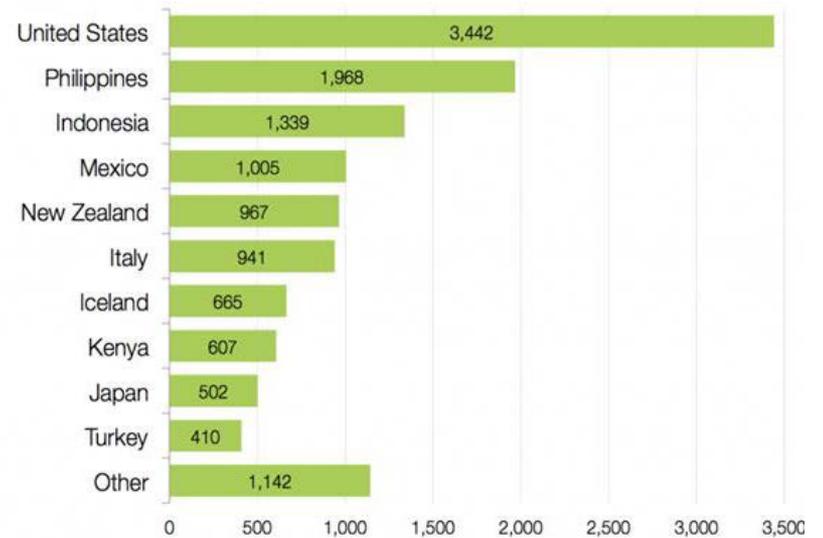
- > Wealth creation – downstream economic returns from land and resources
- > Invest returns for the benefit and well-being of their people:
 - > Educational grants
 - > Apprenticeship programmes
 - > Leadership development programmes
 - > Sporting scholarships
 - > Health benefits, eg hearing aids, glasses, false teeth
- > Increased optimism for the future, and pride to be able to deliver for their people



Top: Tuwharetoa Pa Wars
Bottom: Tuwharetoa Apprenticeship Programme

Geothermal now NZ's second fuel source

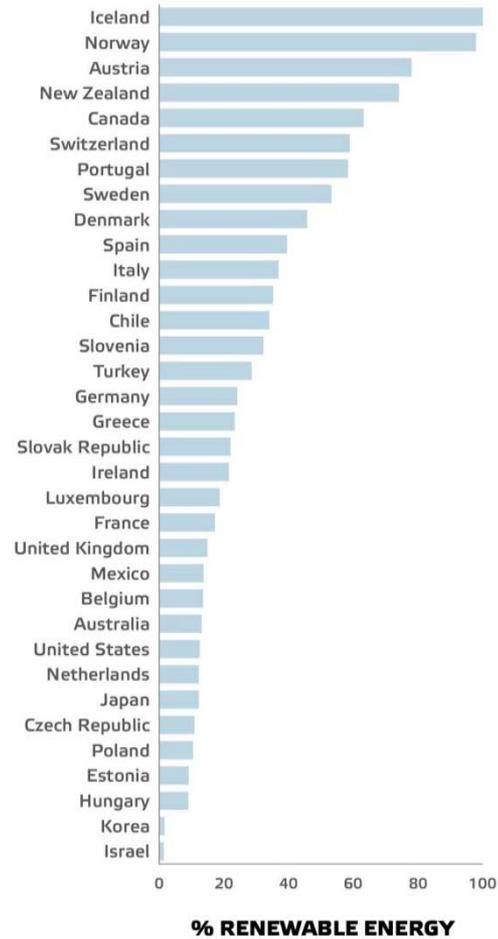
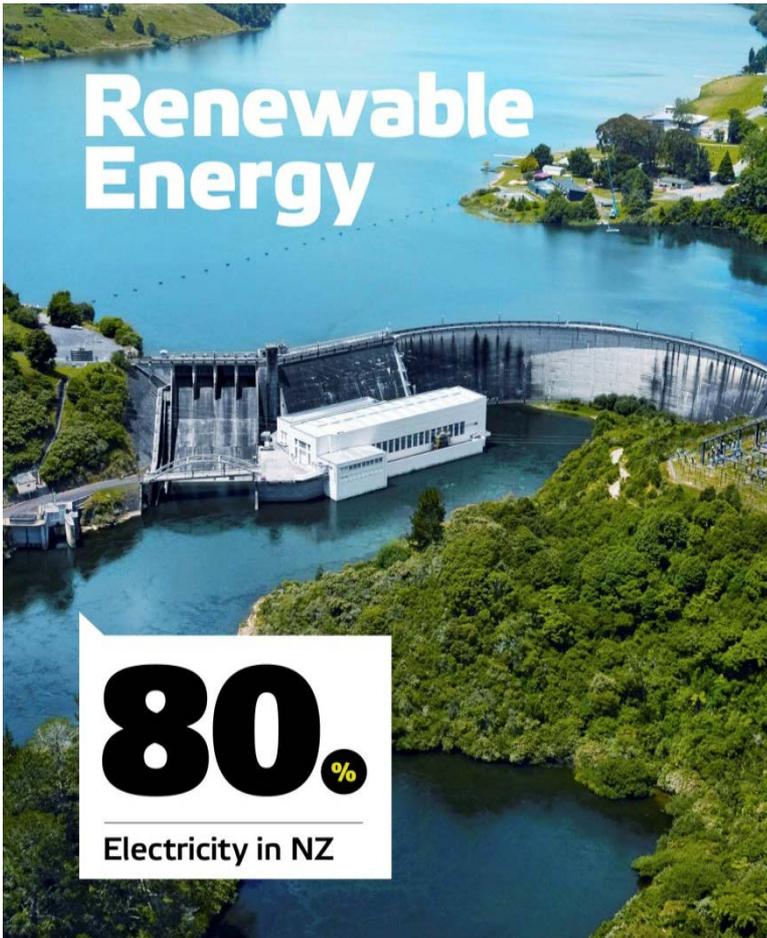
- > Geothermal is now New Zealand's second largest fuel source
 - > Now 16% of national supply
 - > Coal and gas displaced due to higher operating costs
 - > Produces circa 800t/GWh less CO₂ emissions than a coal plant
- > New Zealand ranks 5th (or 4th?) in the world for geothermal capacity.



ThinkGeoEnergy - January 2015

Source: ThinkGeoEnergy Research, GEA, IGA (2015)

World leadership position – NZ's renewables advantage



Questions?



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Join the debate on our energy future

Join us at our next presentation:

Speakers: Stephen Batstone & John Carnegie

Date: Monday 19 October 2015

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