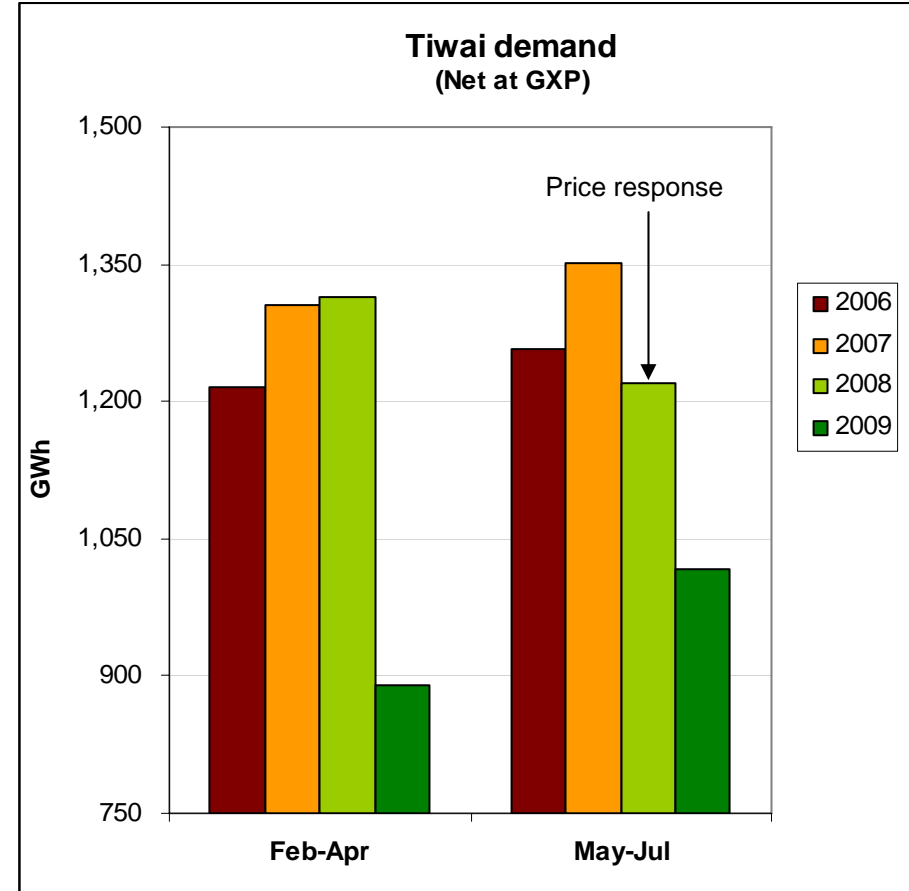
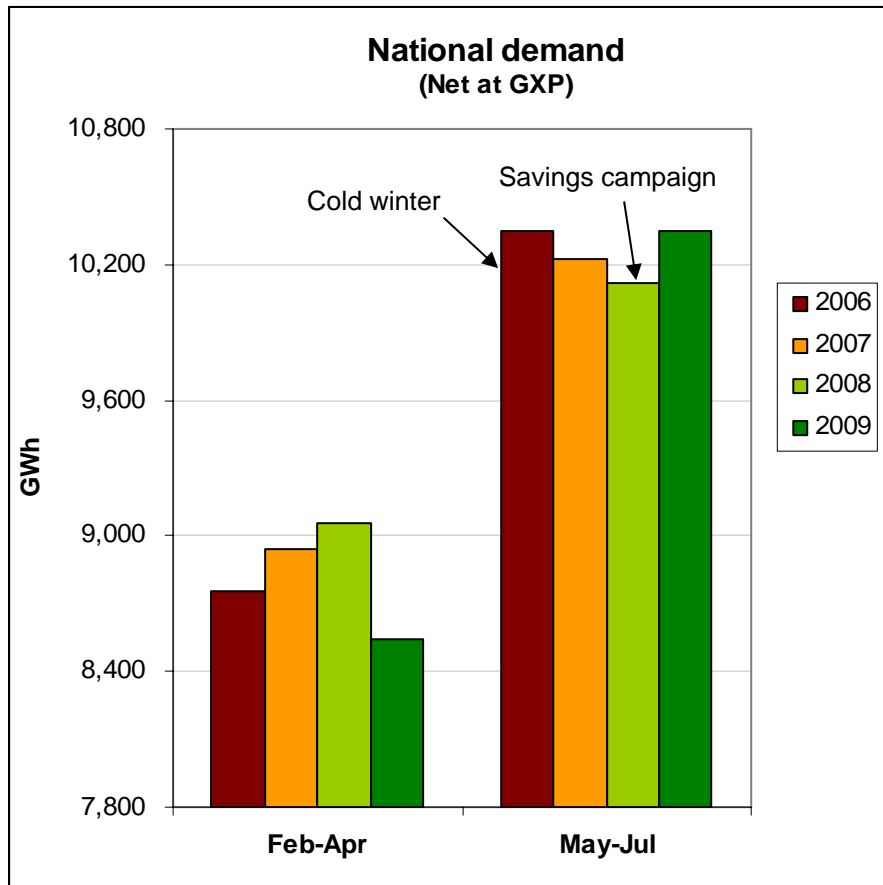


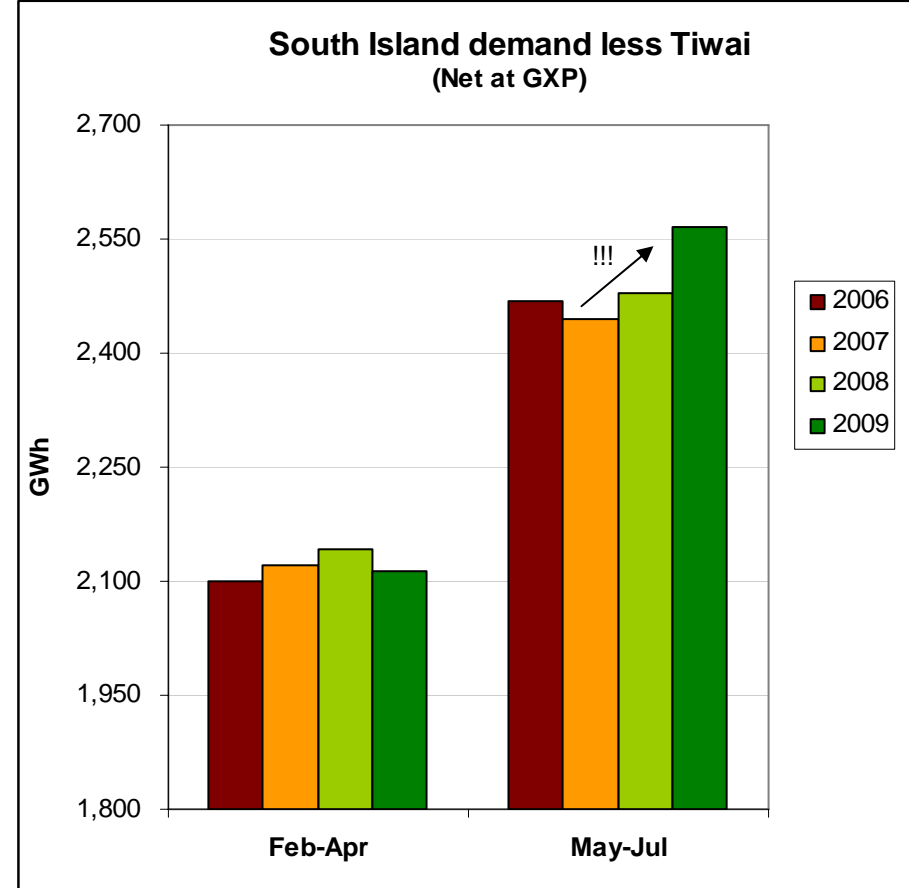
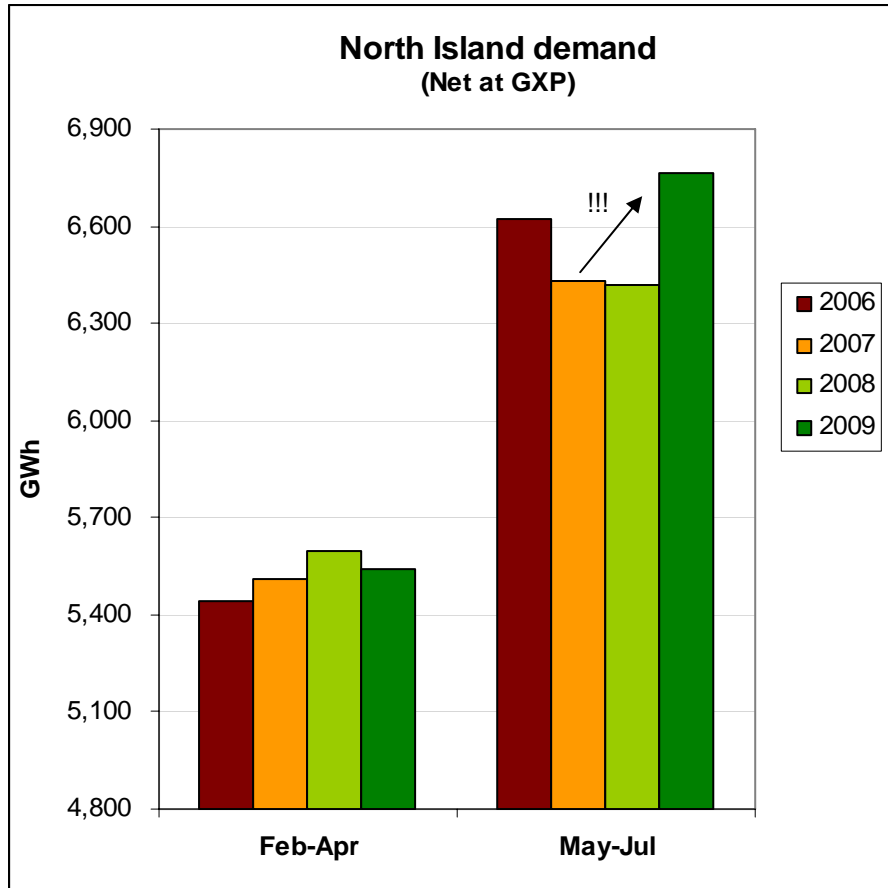
# Note to Security Advisory Group on winter 2009 demand

September 2009



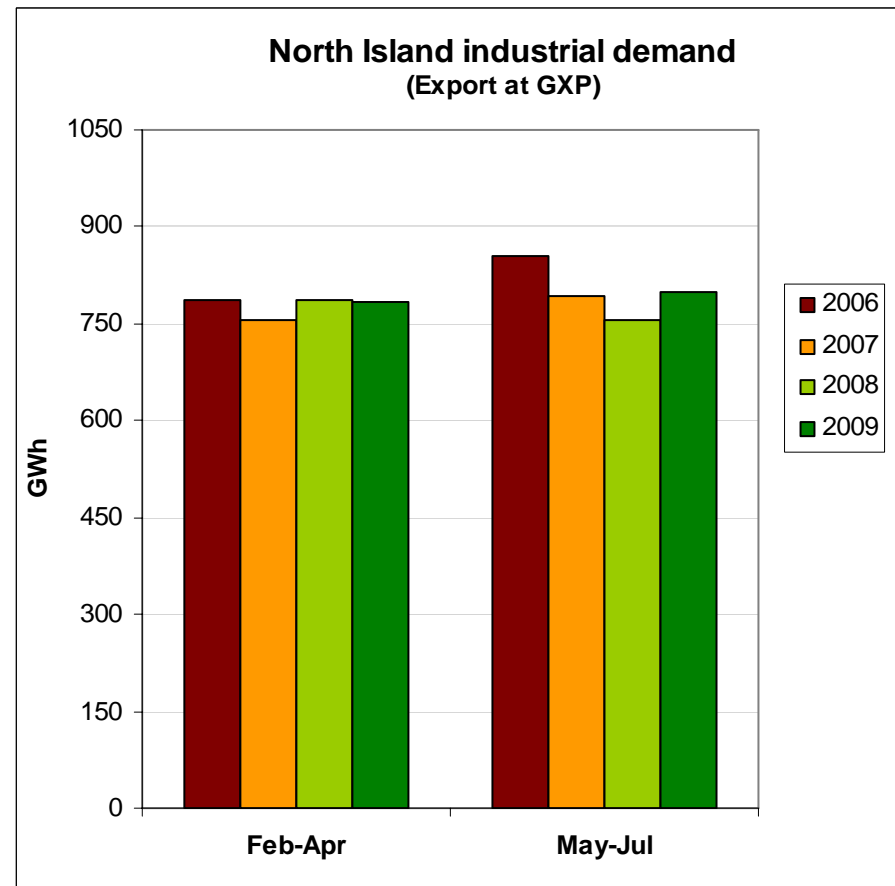
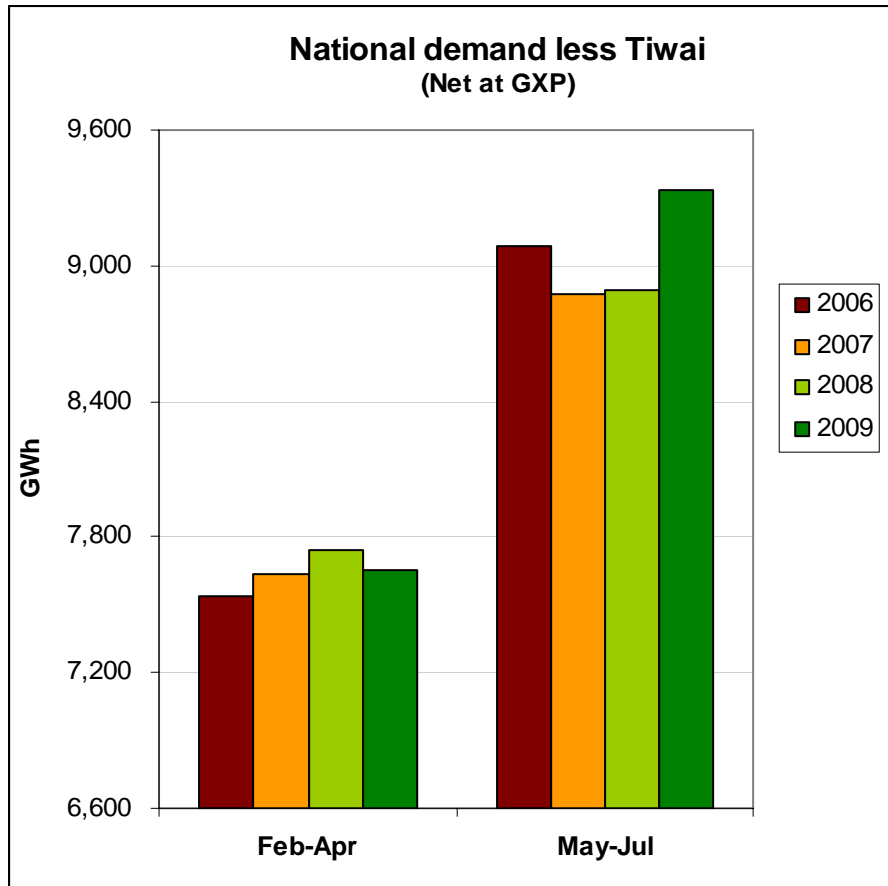
Demand was low in autumn 2009, moderate in winter 2009... but this was affected by low demand at the Tiwai smelter.

(Source: <http://www.ems.co.nz/data> for national and island demand, <http://www.em6.co.nz> for Tiwai. Cross-checked using Centralised Dataset, which produces a similar but not identical result.)



Over May-July, North Island demand was up 5% on 2007...

and so was South Island demand.



And here is the national picture with the smelter removed.

Major NI industrials including CHH, Norske Skog, NZ Steel, Ontrack, Pacific Steel, Panpac, Winstones. Overall, little change from year to year.

(Source: Centralised Dataset)

## Conclusions

- Going into winter, there was speculation that electricity demand would be low due to the recession
- While autumn demand had indeed been low, winter demand (apart from Tiwai) turned out to be quite solid
  - Apart from Tiwai, total demand in May-July was 5% above the same period in 2007
  - August has been warm so far – demand will probably turn out rather lower
- So – no sign of depressed demand over winter
- This despite the addition of embedded generation which is netted off demand
  - White Hill added for winter 2008
  - Deep Stream, KA24 geothermal and McKee cogeneration added for winter 2009
- Demand growth has not been driven by electricity-intensive industry – North Island direct-connect demand has been steady, year to year
- If this trend continues and Tiwai returns to 'normal' operation, then 2010 winter demand may be quite high
- Any comment from SAG on these results?

