

1 November 2005



Media Release

Ecobulbs® provide compelling business case

Supporting an \$800,000 project to subsidise the sale of 200,000 energy efficient Ecobulbs® was a simple business decision for the Electricity Commission, electricity retailer Meridian Energy and lines company Orion.

“The cost of subsidising and promoting the installation of 200,000 light bulbs for Christchurch and central Canterbury households works out at less than 1c per kilowatt hour of saved electricity. The lowest equivalent cost to build new power stations to meet demand is between 6c and 8c per kilowatt hour,” says Electricity Commission chair Roy Hemmingway.

The 200,000 Ecobulbs are being offered for sale in November at just \$5 for three bulbs. Vouchers are being sent to every Meridian Energy customer in the Orion network area, which covers Christchurch and central Canterbury between the Waimakariri and Rakaia rivers, and west to Arthurs Pass. Non-Meridian Energy customers can receive a voucher by sending a self-addressed envelope to: **Ecobulbs Offer, PO Box 215, Christchurch.**

“The total energy saved over the life of the 200,000 Ecobulbs should be equivalent to the annual power usage of 15,000 households, or enough power to run every household in a town the size of Ashburton for around 18 months,” says Roy Hemmingway.

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Installation of 200,000 Ecobulbs in Christchurch should also reduce peak winter demand, potentially by up to 15MW, which is equivalent to just over one year's load growth on the Orion network.

Electricity networks must cope with peak demand, which on a cold day in Christchurch can soar as people switch on heaters.

The project will be closely monitored over winter 2006 to identify savings in peak demand.

“We will be watching the pilot energy efficient light bulb project in Christchurch closely and monitoring the reduction in peak demand over the winter of 2006. Our plan is to offer similar incentive schemes to other areas of the country to help reduce peak demand as well as reduce the need for new power generation and distribution networks,” says Roy Hemmingway.

“We are co-funding this \$800,000 project with Meridian Energy and Orion because it provides a wide range of benefits consistent with the objectives of the Electricity Commission, including energy efficiency, conservation, reliability of supply, as well as providing environmental benefits,” concludes Roy Hemmingway.

The Electricity Commission, which began operating in September 2003, was set up by the Government to oversee New Zealand's electricity industry and markets. Its principal objective is to ensure that electricity is produced and delivered to all classes of consumers in an efficient, fair, reliable and environmentally sustainable manner. The Commission is also required to promote and facilitate the efficient use of electricity.

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