

Proposed line extensions are based upon estimates of capital cost and revenue, and subsidies approved in the first instance are therefore provisional only. No payment of a subsidy can be made until after the line has been built and operated for one year and the costs and revenues accurately ascertained.

APPLICATIONS FOR SUBSIDIES

Applications for subsidies were invited by the Council in September, 1946, and the Supply Authorities were asked to forward only those proposed line extensions which would be at least substantially started in the ensuing year. No good purpose would be served by the Council allocating some of its funds on work which would not be started for more than a year. Applications closed in December, and altogether 132 were received from 27 Electric Supply Authorities. Details of these are given in Table I. Of the applications received, 90 have so far been approved for subsidies covering the building of 603 miles of line to which will be connected 992 new consumers. The estimated capital cost of this work is £292,469. The density of consumers in the areas to be reticulated is about only 3 consumers to every 2 miles of line. The subsidies provisionally allowed are 4·2 per cent. of the estimated capital cost, which figure is within the $7\frac{1}{2}$ per cent. maximum allowed under the Electricity Act.

TABLE I.—RURAL ELECTRICAL RETICULATION COUNCIL: SUMMARY OF APPLICATIONS RECEIVED AS AT 31ST MARCH, 1947

Approved

Supply Authority.	Number of Applications.	Route Miles.	Number of Consumers.	Estimated Capital Cost.	Provisional Subsidy, per Annum.
				£	£
Ashburton Electric-power Board ..	22	51	69	14,195	857
Central Hawke's Bay Electric-power Board	4	52	65	24,944	1,046
Central Waikato Electric-power Board ..	2	11	15	5,453	153
Dannevirke Electric-power Board ..	11	18	31	11,010	274
Franklin Electric-power Board ..	5	22	21	8,075	427
Golden Bay Electric-power Board ..	1	12	27	7,000	280
King-country Electric-power Board ..	2	106	178	38,953	2,058
Manawatu-Oroua Electric-power Board ..	2	14	22	8,080	150
North Auckland Electric-power Board ..	6	24	64	11,087	495
North Canterbury Electric-power Board	4	25	28	7,586	474
Poverty Bay Electric-power Board ..	1	77	67	46,500	2,081
Springs-Ellesmere Electric-power Board	3	4	4	1,828	115
South Canterbury Electric-power Board	1	4	5	1,593	40
Southland Electric-power Supply ..	3	20	37	7,240	530
Tararua Electric-power Board ..	2	16	26	8,328	336
Tauranga Electric-power Board ..	8	19	55	9,373	210
Waimea Electric-power Board ..	1	39	163	29,891	598
Wairarapa Electric-power Board ..	1	66	82	39,776	1,750
Wairoa Electric-power Board ..	1	10	8	6,352	254
Waitaki Electric-power Board ..	9	7	11	2,805	202
Waitomo Electric-power Board ..	1	6	14	2,400	48

Referred back for Amplification

The applications of 4 Supply Authorities were referred back for additional details to be supplied.

Deferred

The applications of 3 Supply Authorities were deferred.