

assistance afforded by other supply authorities, enabled the Department to keep all consumers supplied on the following day and thereafter, except for occasional short periods of overload causing low voltage in places.

The steam-generating plant at Waihi and the Diesel generating plant at Penrose were both operated as required throughout the year.

WAIKAREMOANA.

Supply from the small plant which was installed in 1923 for local supply and for construction purposes was continued during the year while the main plant was being completed. Operating-costs, including interest and depreciation on the plant in operation, amounted to £11,374; the revenue was £6,941, showing a loss of £4,433 on the year's operations. This makes a total accumulated loss of £23,190 on this plant, against which there is a depreciation reserve of £11,869.

Although there was considerable delay in the delivery of certain items of the main plant from England, construction work was pushed ahead at a fast rate, and the first unit of the main plant was supplying power at the end of January of this year. The second unit was completed and put on load early in July. The completion of these units should very materially assist the area which has previously been supplied by Mangahao, and eliminate the purchase of power from outside sources which has been necessary to meet all the demands made on the Department in this area.

Surveys have been in hand during the year to enable designs to be completed for a further stage of this development, a portion of which must be put in hand before the two units now installed can be utilized to full advantage. Surveys are also in progress on a transmission-line to interconnect Waikaremoana with Arapuni.

MANGAHAO.

Although the rainfall on the Mangahao area was considerably better than in the previous year, the continued growth of load made the past year a difficult one, and considerable amounts of power had to be purchased to meet the demand. On this account the financial position is not as good as it might otherwise be. It can be summarized as follows:—

	£
Capital	2,416,713
Revenue	186,712
Operating-expenses	106,907
Balance	<u>£79,805</u>

The balance has been sufficient to pay only 3 per cent. towards the interest charges for the year. £72,563 was spent on the purchase of power during the year, and is included in the operating-expenses shown above. Now that this station is interconnected with Waikaremoana it is expected that purchase of power will be unnecessary in future.

ARAPUNI.

There was an expenditure of £431,981 in connection with this scheme during the year, of which £163,148 is in connection with the headworks and power-station, £86,669 in connection with substations in various places, and £143,469 represents interest and miscellaneous capital charges on portions of the scheme not in operation. Of the total of £431,981, £160,676 has been transferred to the Horahora operating account.

Work on the power-station, the erection of which was taken over from the contractors at the end of 1927, has been pushed on, and power was made available from the first 15,000 kw. unit on the 4th June, about seventeen months after the work was taken over. A second unit has just recently been completed, and it is hoped to have the third unit in operation before the end of the year.