

21 June 2022

## Te Rapa power station closing in June 2023

Contact Energy ('Contact') will close its 44-megawatt Te Rapa power station in June 2023, reducing the company's long-term scope 1 and 2 carbon emissions by 20 per cent per annum.<sup>1</sup>

The Te Rapa plant has been operating since 1999. It is a gas-fuelled cogeneration plant, providing steam and electricity to Fonterra's Te Rapa dairy factory, and directing surplus electricity back to the grid.

The current agreement for Contact to supply Fonterra with electricity expires in June 2023. Fonterra will acquire the plant's auxiliary boiler and will continue to use these assets for its dairy operations beyond June next year, but the gas turbine used to generate electricity at Te Rapa will be retired.

Contact has a team of 16 people at Te Rapa. CEO Mike Fuge said it had been an unsettling time, but it was good to be able to provide people with more certainty.

"It is business as usual until June next year, and everybody in our team at Te Rapa will be looked after. After the power station closes, there will be some opportunities for people to move across to Fonterra's Te Rapa team or be redeployed elsewhere within Contact."

Mr Fuge said the closure of the Te Rapa power station next year aligned with Contact's strategy to decarbonise New Zealand and decarbonise its own portfolio. "We are committed to ramping up our development portfolio to help meet the anticipated demand for renewable electricity, complemented by reducing our portfolio of thermal assets."

This will reduce Contact's long-term scope 1 and 2 emissions by 20 per cent – or 200,000 tons per annum.

"The gap in generation created by the closure of Te Rapa next year will be replaced by new, renewable generation that is set to come on stream over the coming years," Mr Fuge said.

Currently 83 per cent of Contact's electricity generation is renewable.

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<sup>1</sup> Scope 1 emissions are direct Green House Gas emissions from sources that are owned or controlled by the company. Scope 2 emissions are indirect Green House Gas emissions from the generation of purchased electricity, heat and steam consumed by the company.



### **About Contact Energy**

Contact Energy ([contact.co.nz](https://contact.co.nz)) is one of New Zealand's largest energy retailers and generators. We generated 8.4 terawatt hours of electricity from hydro, geothermal and gas last year and managed more than 550,000 customer connections. Our strategy is to lead the decarbonisation of New Zealand.

### **MORE INFORMATION**

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