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Power plant fires up in 10 minutes

JOHN ANTHONY Last updated 05:00 01/06/2011

Prime Minister John Key yesterday opened a \$400 million Stratford power plant which can supply 200,000 houses in less than 10 minutes of operation.

Mr Key was guest of honour at the opening of the Ahuroa gas storage facility and a 200 megawatt, gas-fired peaker plant at Contact Energy's Stratford power station.

It consists of a near-depleted gas reservoir which had additional wells and compressors added.

The facility lets Contact Energy inject gas into the reservoir during periods of low demand, such as in summer or when renewable energy is abundant.

With its strong energy and dairy sectors, Taranaki was an important economic driver for New Zealand, Mr Key said.

"Taranaki is definitely pulling its weight and it's exciting to be here as part of that," he said.

New Zealand was fortunate to have a wide range of abundant natural energy resources.

Mr Key stressed that if National were re-elected it would introduce a mixed ownership model to four state-owned energy companies: Mighty River Power, Meridian, Genesis, and Solid Energy.

Investment in the energy sector would be key to economic growth, he said.

"Nothing is more important than the energy sector."

He also told the Taranaki Daily News that consent applications had been lodged for wind farms in Taranaki but he did not know the details.

"There are one or two applications in the wings and the local government will look at that in terms of consenting," he said.

Contact Energy chief executive Dennis Barnes said the Ahuroa gas storage facility was a first for New Zealand and provided significant geological, engineering and construction challenges for the company.

"We were fortunate to be able to draw on the expertise of our majority shareholder, Origin Energy, to develop Ahuroa from a concept to a working asset."

The facility allows gas to be injected and extracted from an empty reservoir and enables Contact to operate its gas-fired power stations as they are required. The injection and extraction site is about 8 kilometres east of Ahuroa.

"When demand is higher or there is less water in the lakes, we will then extract gas from the reservoir and use it in our gas-fired power stations."

Contact Energy deputy chairman Phil Pryke acknowledged the support it had received from iwi, Government and the Stratford community in the development and construction of the two new assets.