

The rainfall during the year has exceeded the average of the last few years, and enabled a sufficient supply of water to be maintained without having recourse to the Harper River, and I have decided to postpone for another year the proposal to deviate a portion of the waters of the Harper River. If the present rate of rainfall is maintained there is a probability that this expenditure on the deviation, which is estimated at £6,000, may be deferred until the fifth unit is in operation.

The State Supply of Electrical Energy Bill was passed during the year. This Act authorizes the setting-up of a special Electric Supply Account, thus separating the electric supply accounts from the Consolidated Fund, and directing that the electric supply accounts shall be kept on a commercial basis of profit and loss, charging to the net revenue account all the usual commercial capital charges—interest, depreciation, sinking fund, and reserve fund. The provisions of the Act thus enable a true knowledge of the actual profit or loss made by the scheme to be ascertained at once from the annual accounts.

#### ELECTRIC LIGHT AND POWER LICENSES.

The following electric light and power licenses have been issued during the year :—

*Electric Lines.*—Pukekohe Borough Council (Pukekohe Borough), Ross Borough Council (Ross Borough), Waitara Borough Council (Waitara Borough), Devonport Borough Council (portion of Takapuna Borough), Picton Borough Council (Picton Borough), Stevenson and Cook Engineering Company (Limited), (Beach Street, in Port Chalmers Borough), Lion Brewery (Limited), (Khyber Pass Road, in Auckland City), Hamilton Borough Council (portion of Waipa County), Wellington City Council (portion of Wellington City), Christchurch Tramway Board (portion of Sumner Borough), Patea Borough Council (Patea Borough and portion of Patea County), New Zealand Refrigerating Company (Limited), (portion of Gonville Township), Otorohanga Town Board (Otorohanga Town District), Petone Borough Council (portion of Petone Borough), Christchurch City Council (New Brighton Borough), James Stewart (portion of Helensville Township), Joseph Cobine and Hugh Graham Cecil Ernest (portion of Papatoetoe Township), Tikitiki Hall and Motor Company (Limited), (portion of the Waiapu County), Waiuku Town Board (Waiuku Town District), Te Kuiti Borough Council (Te Kuiti Borough) (amended).

*Water-power and Electric Lines.*—Stratford Borough Council (Stratford Borough and County), Akaroa Borough Council (Akaroa Borough).

I have, &c.,

E. PARRY,  
Chief Electrical Engineer.

#### LAKE COLERIDGE HYDRO-ELECTRIC-POWER SUPPLY.

Public Works Department, Christchurch (Electrical Branch), 1st April, 1918.

I BEG to report on the operation of the above plant for the year ending 31st March, 1918, as follows :—

The year under review is the third year of operation, and has proved a critical one in the history of the undertaking, as it is the first year in which the revenue, £32,092, covered all outgoings—i.e., working-expenses, £14,449, and interest charges, £14,871, leaving a balance of £2,772 towards depreciation. The statutory amount of the depreciation reserve for the year at 2 per cent. on the capital outlay amounts to £7,013. The growth in output and revenue indicates that all charges would have been more than covered but for the restrictions on the output due to war conditions preventing the arrival of the necessary plant. For the third year of operation the position is thus very satisfactory.

#### CAPITAL OUTLAY.

The capital outlay at the end of the year was £389,754, as compared with £366,984 at the beginning of the year, distributed as follows :—

Item.	Capital Outlay.		Increase.
	31st March, 1917.	31st March, 1918.	
	£	£	£
Land, roading, and fencing .. .. .	17,186	17,250	64
Tunnel and headworks .. .. .	93,345	94,390	1,045
Power-house and plant .. .. .	63,624	70,976	7,352
Staff village .. .. .	9,662	11,333	1,671
Transmission-lines .. .. .	53,049	52,884	Decrease 165
Addington distributing-station .. .. .	20,811	22,510	1,699
Primary distribution .. .. .	37,323	38,451	1,128
Secondary distribution .. .. .	20,245	24,371	4,126
Service transformers and meters .. .. .	10,926	11,627	701
Motor vehicles .. .. .	2,816	3,988	1,172
Telephone-lines .. .. .	1,816	1,815	Decrease 1
Office furniture .. .. .	84	93	9
Survey and engineering expenses .. .. .	22,948	25,746	2,798
Interest during construction .. .. .	13,149	14,320	1,171
<b>Totals .. .. .</b>	<b>366,984</b>	<b>389,754</b>	<b>22,770</b>