

LAKE COLERIDGE.

The financial position of this scheme can be summarized as follows:—

			£
Capital investment	..	..	1,561,081
Revenue	..	..	171,127
Operating expenses	..	..	40,054
Balance	..	..	<u>£131,073</u>

This balance has been used in paying interest charges and a 2-per-cent. depreciation charge, leaving a profit on the year's working of £25,580. This has been paid into the Sinking Fund. The scheme now has a depreciation reserve of £173,231, and a sinking fund of £62,465.

There has not been a great deal of construction work in connection with this scheme during the year. Work at the power-station was confined to final adjustments to the two new units which were put into commission during the previous year. Alterations have been made to the Harper intake works and the outlet weir to ensure a minimum of interruption with the water-supply, which it is anticipated will be getting towards its limit during the next two years. To enable these works to be carried out, water from the Harper was cut off for several months during the summer, and consequently the low level during the winter has been considerably below normal. This, however, will be made up with the increased stream-flow which always occurs in the spring months of the year. A new substation is being built at Woolston to supply power for the Lyttelton—Christchurch Railway electrification.

The operation of the system has been free from any very serious interruptions, the only ones of any serious consequence being one of 15½ minutes' duration on the Christchurch lines, and one of 31 minutes on the South Canterbury lines.

HORAHERA.

The financial results of this plant may again be considered satisfactory, although the operating-cost has been considerably increased owing to trouble with sand, pumice, and vegetation coming down the river, following the diversion at Arapuni. There has also been considerable additional cost consequent on the increased extent to which the fuel-driven plants connected with the system had to be utilized to meet the increasing demand for power.

			£
Capital investment	..	..	973,173
Revenue	..	..	125,312
Operating expenses	..	..	46,568
Balance	..	..	<u>£78,744</u>

The balance has been used in paying interest and 2 per cent. depreciation, and has left a profit of £15,908 for the year's operation. This has been utilized in paying £9,732 to the Sinking Fund and £6,176 into a Reserve Fund. This scheme now has a depreciation reserve of £84,272, a sinking fund of £49,847, and a reserve of £53,845. The capital investment shown above includes £363,945 used on lines and substations forming part of the Arapuni scheme but at present operated from Horahora. Following the diversion of the river at the Arapuni power works, very considerable expense was necessitated at Horahora in keeping the screens sufficiently clean to maintain supply. The position is, however, gradually improving, and the station is now generating its normal full-load capacity.