

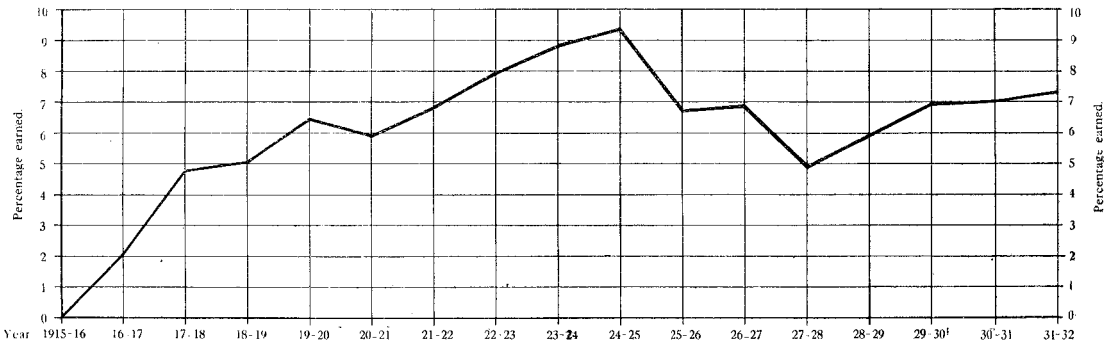
HYDRO-ELECTRIC OPERATIONS.

Hydro-electric development and operation has throughout the year again been one of the most important functions of the Department. Capital expenditure has been mainly concentrated on the remedial works at Arapuni and on continuation of construction works at Waitaki. The operating works have to some extent felt the effects of the prevailing depression in that there has not been the same increase in loading during the year as has been usual for some time. In the North Island systems the loading for the year shows a small percentage increase for the year, but in the South Island the loading has been slightly below that of the previous year.

The general financial position of the operating accounts shows a small improvement on that of last year, the percentage over net operating expenses being 7·28 as against 7 per cent. last year. The figures for the year are as follows :—

PERCENTAGE EARNED ON OPERATING CAPITAL AFTER PAYING OPERATING EXPENSES.

|                          | Average<br>Operating<br>Capital. | Gross<br>Revenue. | Working<br>Expenses. | Net<br>Balance. | Percentage<br>Net Balance<br>to Operating<br>Capital. |
|--------------------------|----------------------------------|-------------------|----------------------|-----------------|---|
|                          | £                                | £                 | £                    | £               | £   |
| Horahora-Arapuni .. ..   | 1,310,081                        | 161,884           | 115,003              | 46,881          | 3·58  |
| Mangahao-Waikaremoana .. | 3,532,879                        | 300,022           | 48,900               | 251,122         | 7·11  |
| Lake Coleridge .. ..     | 1,734,544                        | 218,196           | 37,245               | 180,951         | 10·43   |
| Totals .. ..             | 6,577,504                        | 680,102           | 201,148              | 478,954         | 7·28  |



PERCENTAGE EARNED ON OPERATING CAPITAL AFTER PAYING NET OPERATING EXPENSES.

The general result of the operation of the Department's electric-supply system to date has been that the schemes have paid all operating expenses and interest, and, in addition, have been able to provide £642,267 towards reserves for depreciation and sinking-fund purposes.

ARAPUNI WORKS.

Work on all sections of the remedial measures decided upon, following the report of Professor Hornell, who was called in to advise the Government in 1930, was continued throughout the year. The programme set was well maintained, and it was possible to raise water in the dam and headrace at the end of March last. Some time was necessary to recondition the machinery, which had been idle for over eighteen months, but the station was able to go into commercial operation again on the 10th April, 1932. The works carried out appear to have been quite successful in preventing any further movement in the block of country, the tilting of which was the prime cause of the station going out of action in 1930.

Since the close of the period a leak developed through the lining of the headrace into the porous drainage system below, but it was possible to locate it and effect repairs without closing down the station. It was, however, deemed advisable to run the Auckland Power Board's plant in terms of the agreement with that Board for a short period each day to facilitate work on repairs.