

APPENDIX D.

ANNUAL REPORT OF THE CHIEF ELECTRICAL ENGINEER.

The CHIEF ELECTRICAL ENGINEER to The Hon. MINISTER OF PUBLIC WORKS.

SIR,—

I beg to report on the position of the development of electric power in the Dominion for the past year, as follows :—

GENERATING-SCHEMES IN OPERATION.

NORTH ISLAND ELECTRIC-POWER SYSTEM.

1. Capital Outlay.

At the close of the year 1935–36 the total capital outlay was £8,461,193, representing assets in operation, and £173,807, representing assets not in operation, giving a total capital outlay of £8,635,000, and Table II gives an analysis of this amount.

2. Financial Results.

The total revenue for the year amounted to £795,391 and working-expenses £144,068, which resulted in a gross profit of £651,323, equal to a return of 7·71 per cent. on the average capital in operation (£8,445,737).

After paying interest (£408,051), depreciation (£17,591), and the departmental proportion of the capital charges on King's Wharf Station (£38,148) there was a net profit of £187,533. The accumulated loss now stands at £399,315 for the North Island system.

Comparative figures for the year ending 31st March, 1935, are as follows: Revenue, £712,766; working-expenses, £120,927; interest, £414,042; depreciation, £150,538; and King's Wharf charges, £37,687—with a net loss of £10,428.

The decrease in the depreciation charge from £150,538 in 1935 to £17,591 in 1936 is on account of the amount in the Fund having now reached the statutory 12½-per-cent. limitation, the payment of £17,591 being all that was necessary to augment the Fund to bring it up to the aforementioned limitation.

The increase in this year's working-expenses is due mainly to the 7½-per-cent. restoration of salaries and wages, maintenance of roads, maintenance of additional main transmission lines, and general increase of work due to growth of load, together with expansion in the amount of testing work now carried out by the Department.

The accumulated Depreciation Reserve and Sinking Funds as at 31st March, 1936, amounted to £1,017,687. Table I gives full particulars of financial results as well as other relevant statistical information.

3. General.

The units generated totalled 622,348,529, and to this must be added 236,134 purchased units, making a grand total of 622,584,663 units output for the system. Units actually sold total 563,673,258, and units used for station auxiliaries, &c., total 6,699,031.

The number of non-productive or lost units total 52,212,374, equivalent to 8·4 per cent. of total output.

The maximum load on the system was 116,800 kw. and the annual load factor 60·85 per cent. The total connected load was 843,209 kw., and the demand factor or ratio of maximum load to connected load was 13·85 per cent.