

Media Release

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Alliance announced to deliver District Energy System (DES) for Christchurch

Christchurch City Council (CCC), the Canterbury Earthquake Recovery Authority (CERA), Christchurch City Holdings Ltd (CCHL) and Canterbury District Health Board (CDHB) have formally signed an alliance with international partner Cofely-GDF SUEZ/Cowley Services and local partner Pioneer-EFI, to deliver a district energy system (DES) as an integral part of the central city rebuild.

The alliance was signed on Friday 11 April. In March the council's environment committee voted unanimously to support the project and contribute starting funds towards the project.

Christchurch Mayor Lianne Dalziel said the DES would make an important contribution towards Christchurch becoming a clean, green, resilient and future-proofed 21st century city.

"During 'Share an Idea', the people of Christchurch asked for a clean, green city and this scheme is an important step in that direction" says the Mayor.

"The DES would benefit the whole community and is another example of the opportunities for 'betterment' of our city's infrastructure when rebuilding after a disaster. This Council is committed to identifying and following up such opportunities to improve the quality of life in our city."

Canterbury Earthquake Recovery Authority chief executive, Roger Sutton, has welcomed the signing of the DES alliance saying it positions Christchurch as a leader in innovation and energy efficiency in New Zealand and will help attract businesses seeking to establish a presence in the rebuilt CBD.

"The alliance partners to today's signing see this innovation as a "no brainer" for the development of a sustainable modern 21st century city. Today, energy is one of the biggest costs faced by

organisations; any way that energy costs can be reduced and made more sustainable is good news, especially as businesses re-establish a CBD presence,” says Mr Sutton.

“I wholeheartedly encourage anyone looking to share in the benefits of the DES to get on board. As Cantabrians know, I am deeply committed to energy efficiency and the city’s new Anchor Projects are a logical and sensible place to start such a scheme.”

Christchurch will benefit from the provision of lower-cost, environmentally sustainable and resilient heat/cool energy to a wide range of users across the central city. It will improve energy efficiency for connected buildings and accelerate the city’s ability to switch away from carbon-intensive fuels. It will also save building occupiers and developers time and cost by providing heating and cooling as a utility service.

The Christchurch DES would be the first large-scale central city system of its type in New Zealand and allow heat generated at Christchurch Hospital (and other energy centres) to be distributed to neighbouring facilities. The city’s new Anchor Projects can also share common DES heating and cooling systems utilising modern high efficiency ground source heat pump technology, maximising the use of New Zealand’s renewable energy resources.

If approved, the DES is expected to invest \$30-50 million in thermal energy assets, could build more than 40MW of thermal energy capacity and supply over 700,000 square metres of space within its first five years of operation. 40MW of thermal energy capacity is large enough to heat the equivalent of 10,000 homes.

It is hoped the Christchurch project will be a catalyst for other DES projects across the country.

The Christchurch Agency for Energy trust and Energy Efficiency & Conservation Authority (EECA) have supported the energy system initiative from its inception.

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For further information contact:

Peter Houghton

DES Project Manager

Christchurch City Holdings Limited

03 941 6585 / 021 161 3505

peter.houghton@cchl.co.nz

Bob Lineham

CEO

Christchurch City Holdings Limited

03 941 8411

bob.lineham@cchl.co.nz

## **Background**

### **District Energy:**

District Energy is the provision of energy for heating and cooling purposes on a networked basis.

Typically, individual buildings are supplied with hot water/steam and cold/chilled water from efficient, low-carbon and sustainable centralised energy sources via a below-ground network of insulated pipes. Buildings that connect to the DES no longer require their own boilers, chillers or air-conditioning units, leading to savings in space, capital and cost.

After an extensive, rigorous and international selection process, CCC, CERA, CDHB and CCHL appointed Pioneer Generation and Cofely/Cowley Services as the Preferred Providers for the Christchurch DES.

**Cofely/Cowley Services - GDF:**

Cofely is the Energy Services business line of GDF SUEZ (French-headquartered global energy company). Cofely is the world leader in District Energy with more than 200 schemes around the world and 80 years of experience in owning and operating such schemes. Cofely operates in more than 50 countries, has 85,000 employees and more than 130,000 customers. Its local New Zealand subsidiary is Cowley Services. This group of companies brings a wide range of international DES skills and intellectual property to Christchurch and New Zealand.

**Pioneer -EFI-:**

Pioneer Generation (PGL) is a community-owned company based in Central Otago which generates energy from water, wind and waste. PGL is 100% owned by the Central Lakes Trust, a charitable trust. Energy for Industry (EFI), a wholly-owned subsidiary of PGL, has developed and now owns and operates two smaller District Energy Systems in New Zealand. The largest of these is the Dunedin Energy Centre, on which components of the Christchurch DES are modelled. EFI's primary business focus is around the provision of heat energy for industrial applications, hospitals and a university.