
Tiwai Point Fourth Potline Restart

Brigid McArthur has acted this year for New Zealand Aluminium Smelters and parent Pacific Aluminium on the electricity hedge contract and associated arrangements with NZX and Sumitomo, for the restart of potline 4 at the Tiwai Point Smelter.

On 1 May 2018 New Zealand Aluminium Smelters announced plans to restart the fourth potline at its Tiwai Point Smelter, that has been sitting idle in a low price aluminium market since 2012.

Greenwood Roche partner Brigid McArthur acted for NZAS on its contract with Meridian Energy for an additional 50 MW electricity hedge to enable the restart, underwriting NZAS' spot price risk on the extra volume out to 2022. The new contract effectively sits on top of the existing 572 MW contract for Tiwai, lasting until 2030.

Meridian itself supported the Tiwai arrangement with its own separate contracts with Contact Energy, Genesis Energy and Mercury.

The fourth potline restart is a further boon to the Southland economy, with an additional 32 skilled jobs and a further 85 tonnes of aluminium produced per day, and this from a smelter with one of the lowest carbon footprints globally.

Specialist Expertise

Corporate & commercial
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Key lawyers involved

Brigid McArthur

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