



**RioTinto**

Media Release

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## **Tiwai smelter to stay open in 20-year deal**

The aluminium smelter at Tiwai in Southland has secured energy supply from three generators until at least 2044, giving certainty to employees and the local community, and supporting New Zealand's contribution to a low carbon future.

Meridian Energy, Contact Energy and Mercury have concluded deals to provide price certainty for the smelter with the 572 Megawatts (MW) it needs to keep producing high purity aluminium for global export and domestic supply.

"With these agreements concluded, the uncertainty for our hard-working team members and Southland is now over, and we can get on with producing the aluminium New Zealand and the world needs for its energy transition," said NZAS Chief Executive Chris Blenkiron.

Today's announcement marked the end of complex negotiations spanning over 18 months.

"It has been a long process to get to today's announcement, but worth the effort to secure a long-term future for New Zealand's smelter and the many benefits associated with this," Mr Blenkiron said.

"We have been deliberate and taken our time, to ensure we see a new, long term and sustainable future for the smelter, and give that certainty to our employees, Southland, and New Zealand," he said.

Key elements of the deal are:

- Twenty-year power arrangements through three energy generators, replacing the single contract with Meridian Energy.
- A portfolio of contracts with Meridian Energy, Contact Energy and Mercury Energy will provide a volume of 572 MW required to run the three potlines at the smelter.
- Separate contracts with Meridian and Contact will enable up to 185 MW of dry year demand response to be made available, to ensure the smelter plays its part to keep the lights on when New Zealand needs it most (*see separate press release*).
- Environmental remediation commitment and programme continues.
- The new deals look certain to help underpin development of further renewable energy projects.

Mr Blenkiron said the negotiations had been carried out in a spirit of openness, with all parties focused on the sustainable future of one of the country's largest export earners, along with the smelter's ability to act as a battery for the New Zealand energy system.

"This is a significant new chapter in the history of New Zealand's smelter, and for Murihiku/Southland, and I want to thank everyone, from NZAS, Rio Tinto, our energy partners, Ngāi Tahu, the Southland community and our employees, for getting us here today," Mr Blenkiron said.

**ENDS**

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