

## Maui Reduction Brings Hope For Kupe

State owned Genesis Power intends to see the Kupe oil and gas field developed in time to have first gas on stream by 2005, in order to fuel a new 400 mW combined cycle power station at Huntly.

The announcement was welcomed by Kupe partner, New Zealand Oil and Gas (NZOG), who discovered the field in 1986.

NZOG said development of Kupe had been hindered by relatively low gas prices as a result of the Maui dominated gas market.

NZOG's June quarterly report said recent changes in the Kupe ownership, and the state

of the country's gas market, were positive for the future development of the Kupe field.

Lowered expectations of Maui reserves have left the Kupe JV predicting that the pricing situation will change.

The NZOG report said that Genesis Power's plans to build a 400 mW combined-cycle plant at Huntly, its increased stake in PML 38146 to 70%, and its role as operator of Kupe, all bode well for development of the field.

Genesis Power has 70% interest in the field, NZOG has 19%, and the New Zealand Government has 11%.