

Central Hawke's Bay Consumer Power Trust

Annual Public Meeting held:
3:00pm, Wednesday 29th July 2015
at the Waipukurau Club, Russell Street, Waipukurau

MINUTES OF MEETING

1: PRESENT:

CHB Consumer Power Trust:

Sarah von Dadelszen (Chairperson), Kate Laugesen (Trustee), Alistair Setter (Trustee), Peter Butler (Trustee, in his capacity as His Worship the Mayor), Angus Mabin (Trustee, representing Silver Fern Farms), George Williams (Trustee, representing CHB District Council), Vicki Winlove (Executive Assistant)

Centralines (Board of Directors):

Sam Robinson (Chairman of the Board), Wendie Harvey, Jon Nichols, Nick Story, Ian Walker, Stuart Smith (CHB Consumer Power Trust Board Observer)

Centralines:

Ken Sutherland (CEO Unison), Len Gould (General Manager), Mark Boltman (Operations Manager), Brent Muggeridge (Company Accountant), Julie Collins (Executive Assistant), Duncan Hope, Gareth Fergusson, Olwen Williams

Public:

Julian Tan (Audit New Zealand), James Atkin, Arthur Rowlands

2: APOLOGIES:

Marcus Peacock (CHB Consumer Power Trust Trustee), Nigel Hamilton (Centralines), James Burne (Centralines)

3: MINUTES OF PREVIOUS MEETING (WEDNESDAY 30TH JULY 2014):

It was resolved that the Minutes of the Central Hawke's Bay Consumer Power Trust Annual Public Meeting held on Wednesday 30th July 2014, a copy having been circulated prior to the meeting, were taken as read and accepted as a true and accurate record.

Sam Robinson / James Atkin
CARRIED

4: TRUSTEES ANNUAL REPORT AND FINANCIAL STATEMENTS (YEAR ENDED 31 MARCH 2015):

It was resolved that the Trustees Annual Report and audited Financial Statements for the Year Ended 31 March 2015 were accepted as correct.

Sam Robinson / James Atkin

5: APPOINTMENT OF AUDITOR:

The Chairperson moved the resolution for the re-appointment of the Auditor, being Pricewaterhouse Coopers.

Sarah von Dadelszen / Olwen Williams
CARRIED

6: CHAIRPERSON'S REPORT:

It has been another solid year for the company in terms of performance. Most of the KPI's set in the statement of corporate intent have been met. Most importantly from a consumer view point our power outages and lengths of them have been well within the limits set. It is worth noting that what we set in the SCI are also well below the regulatory ones. An area as a Trust we are comfortable to be sitting in as our reliance on a stable network of electricity has certainly not diminished.

Trees continue to be a focus for keeping the power on and the team at Centralines continue to do a great job in eliminating where possible, and trimming where practicable. Since being on the Trust I have certainly looked at their positioning in a different way when considering planting. Maybe the company could spin a good public relations campaign around this by gifting a tree or two to someone to plant, in a different place, if they remove trees that are a potential future hazard under power lines.

Working with live power is a risky business and the Trust is pleased with the culture within the team that ensures health and safety is taken very seriously, not just having lip service paid to it. This is reflected in the excellent results in this area.

A substantial rebate was credited back to consumers this year with a total of \$1,092,000 being paid back to our local community. The amounts varied in relation to individual ICP power consumption. This rebate sometimes goes under the radar as the company simply deducts the amount off the power bill as opposed to taking a more costly and less efficient but more public option, which is to distribute cheques.

As we routinely do, the Trust interviewed two directors who were retiring by rotation. This gives those Directors and the Trust the chance to have a good dialogue about their views on where the company is at and the direction they want to see it go. This year the Directors were Ian Walker and Nick Story. The Trust were pleased that both these directors wished to stay on and we are happy to reappoint them.

The Trust enjoys a good dialogue with the board and the community continues to be well served with excellent skills around that table. Wendie Harvey was appointed in July 2014 and has brought another set of valuable skills to the board.

This year, I am delighted to announce that we have appointed to the Board the first Board Observer. Stuart Smith who commences a 12 month period from now will join the board, participating and contributing to discussions. He doesn't have voting rights and carries no liability for any decisions made. It is expected that Stuart will also undertake a governance programme suited to his requirements to further develop his skills.

It is a great opportunity as I am often asked, how do you get your first board role, catch 22 need the experience – how to get it. This is designed to help enable that and for people to get a feel for the role of a board member. The highlight for me during this process was the number of excellent people in Central Hawke's Bay who put their name forward, we would have been happy to have had anyone of them appointed to the role. It is an annual process and I sincerely hope they have another look at it next year.

It is an exciting time moving forward with lots of challenges and opportunities on the horizon. The Dam is another step closer and this really is a game changer for Centralines in terms of additional growth in the network and other spin offs that will bring. The challenges grow too with disruptive technologies always looming and our challenge there is to assess our part in that and how we ensure we don't become a Kodak but instead an IBM embracing and adapting ourselves for this.

This is my last AGM report to deliver as I stand down at this election with time up! I would like to take this opportunity to thank firstly the Directors. I believe as a Trust we have done our job well in recruiting you all. To Sam especially you make my life as Chair of the Trust is so much easier with having the Board in such capable hands. The open dialogue between both entities is as it should be and ensures smooth running of the business.

To the Centralines staff, thank you all for your willingness to help on anything, from photocopying to assisting with ads etc. It is much appreciated.

Lastly to the Trust, thank you all for your energy and the enthusiasm that comes to every meeting. The community is well served with having you all around the table. Everyone is there for the right reason, to help ensure we maintain a great company for our consumers.

7: TRUSTEES REMUNERATION:

The Board moved the resolution for the Trustees Remuneration for the 2015/16 year remain the same as the 2014/15 year.

Sam Robinson / James Atkin
CARRIED

8: GENERAL BUSINESS:

(a) Mr Arthur Rowlands took to the floor to raise three concerns he currently has with Centralines. The first being he is still awaiting, 12 months later, an easement for lines erected on his property; secondly, the lack of communication from Centralines when accessing his property, and thirdly, he outlined his personal experiences, when dealing with the company, which he deemed to be unsatisfactory.

Trust Chairperson, Ms Sarah von Dadelszen confirmed the letter Mr Rowlands sent last year was taken to the Board and passed onto management and it was her understanding that further dialogue from Centralines to Mr Rowlands had taken place.

Chairman of the Board, Mr Sam Robinson confirmed he had met with Mr Rowlands in December 2014 to discuss his concerns and apologised for not following up with him since. Mr Robsinson has undertaken the responsibility on behalf of the Board and Centralines to work with Mr Rowlands in resolving his complaints.

(b) Mr James Atkin, Past Chairman of the Board, took to the floor to formally thank outgoing Chairperson Ms Sarah von Dadelszen for her 12 years service to the Trust and service to the Central Hawke's Bay Community.

(c) Mr Angus Mabin, CHB Consumer Power Trust Trustee, also took to the floor on behalf of the CHB Consumer Power Trust Trustees to thank Ms Sarah von Dadelszen for her dedication and service to the Trust.

MEETING CLOSED: 3:20pm

SIGNED:

Sarah von Dadelszen (Chairperson)

Date