



Annual Customer Meeting

29 July 2016



\$millions

Consumer Discounts

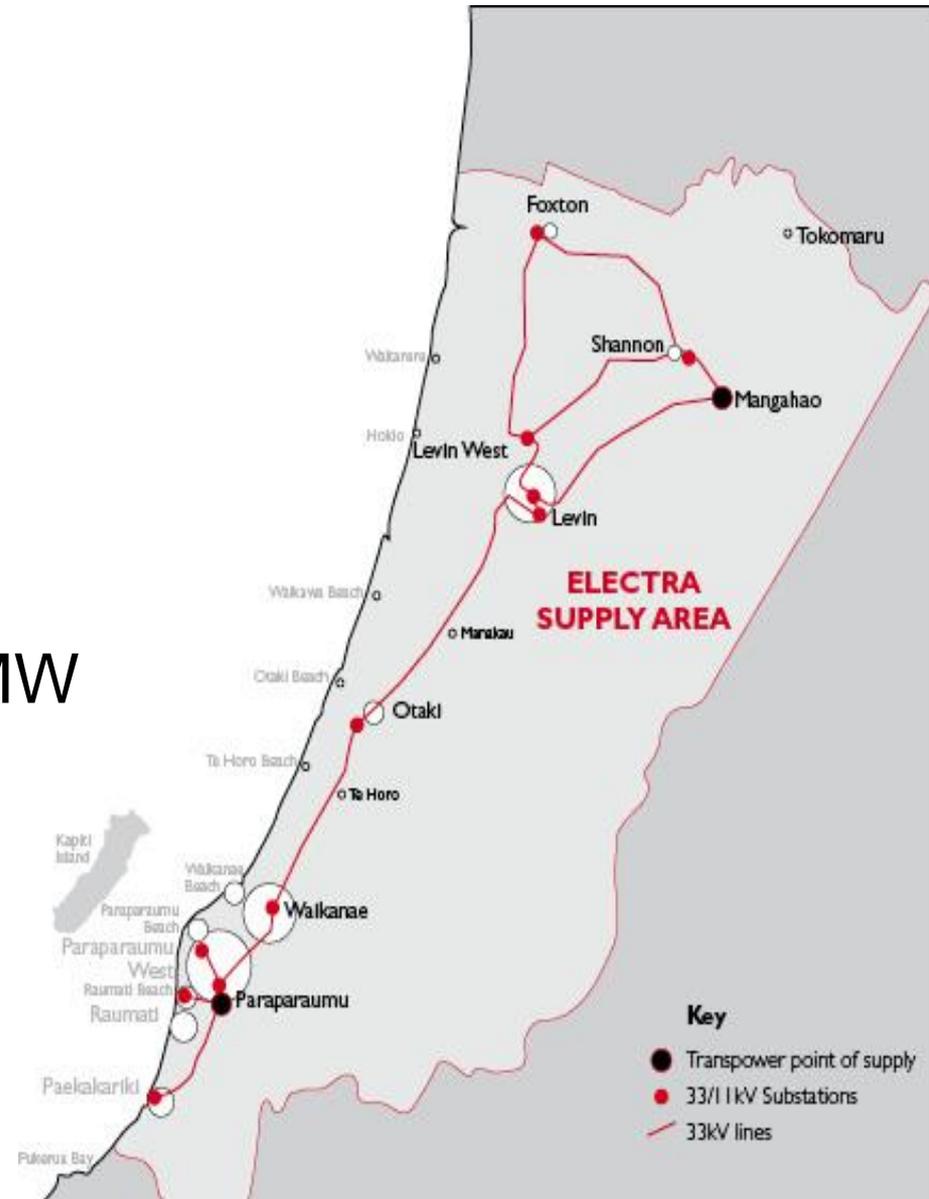


(net of GST)

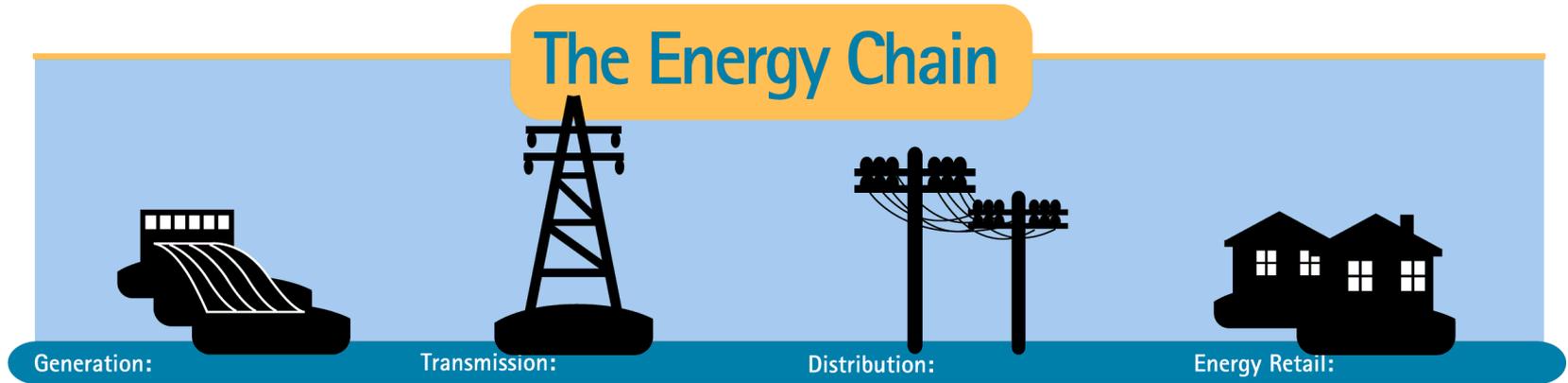


Network Information

- Connections – 43,671
- System length – 2,256kms
- # of poles – 21,615
- # of Transformers – 2,546
- Maximum demand – 107 MW
- 2 supply points and 10 zone substations



Where the Electra Network fits



Contact

Transpower

Meridian

Genesis

Mighty River Power

Trustpower

King Country Energy
(Mangahao Owner)



Electra Energy

Contact

Meridian

Genesis

Energy On Line

Mercury

Trustpower

Pulse Energy

Powershop

Energy Direct

Pulse Energy Alliance

Nova Energy

Electric Kiwi

Simply Energy

Flick

Electra
Trust

Board

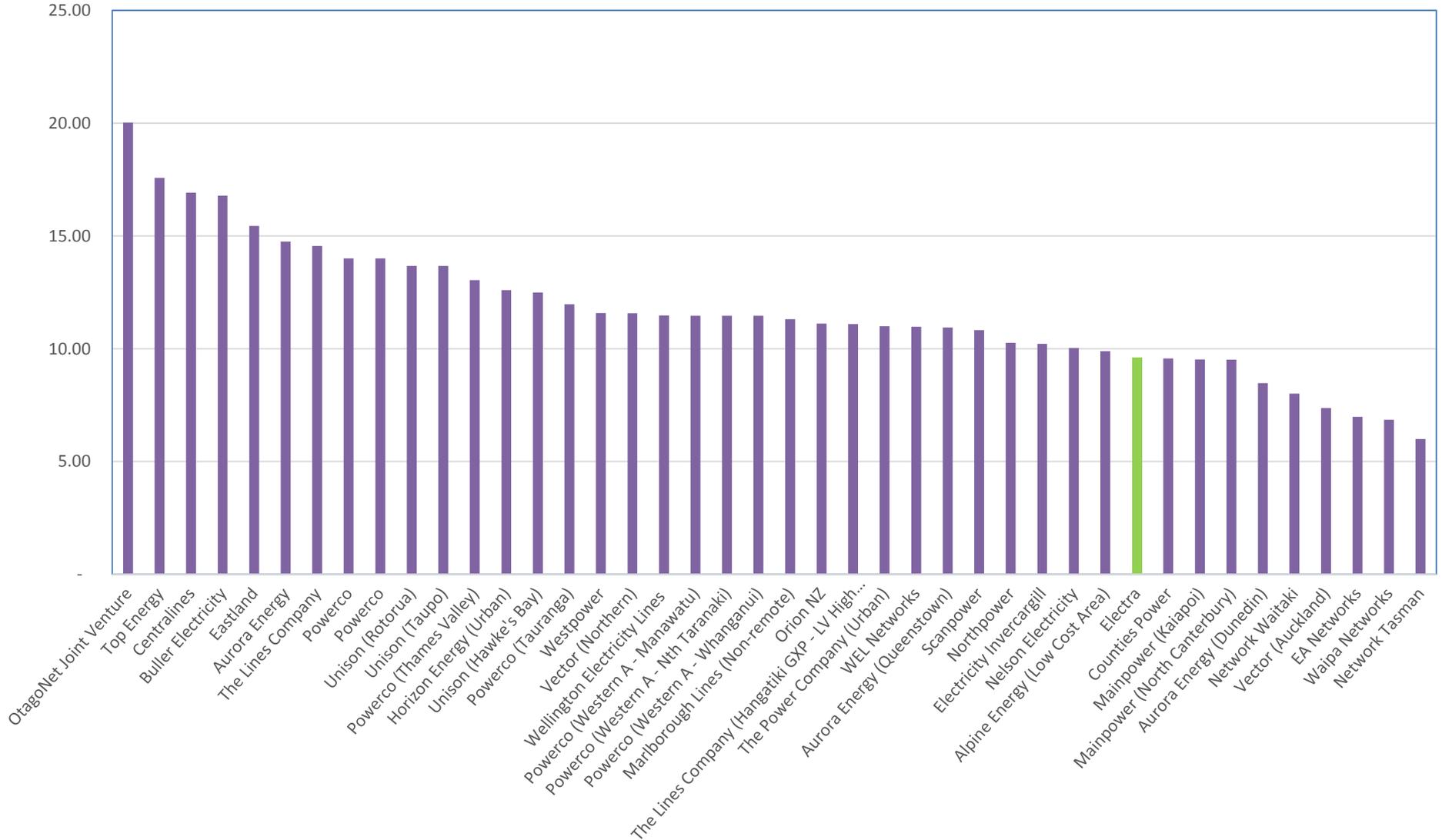
Chief Executive



Key Facts

- Electra 9th largest of 29 network companies
- Employ 166 staff and 103 contractors across the Group
- Total shareholder funds \$138m
- Paid \$158m (\$182m incl GST) in discounts over 22 years since Electra formed
- Electra 10th cheapest for residential price (after discount)

Pricing Comparison (Post Discount)



Financial Performance

- Profit before tax was above target at \$1.05m
- Goodwill write-off of \$2.5m
- A year of investment in:
 - Technology
 - Increased capacity and capability
 - New Business Ventures

Year End Group Results

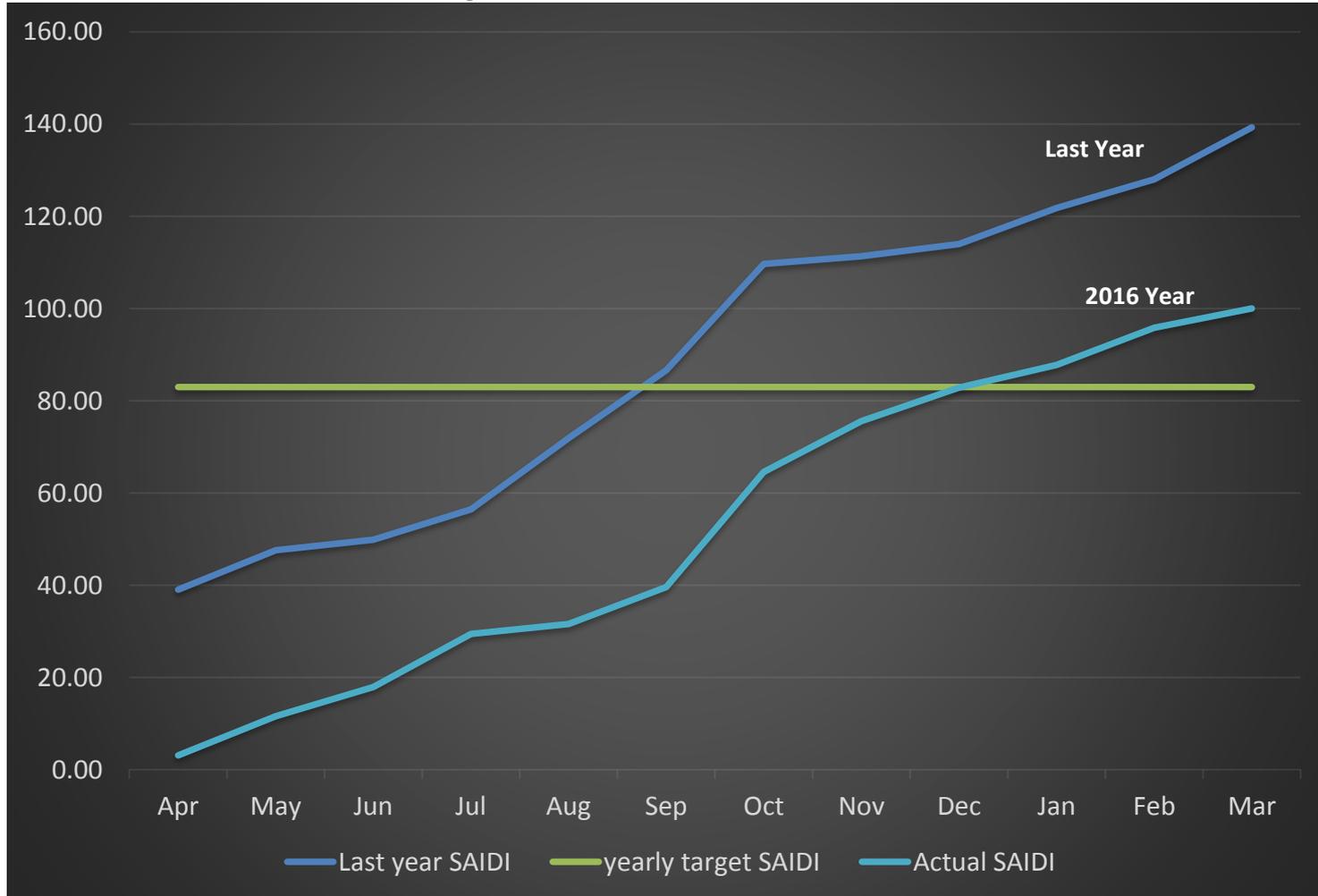
Financial (millions of dollars)	2016	2015
Operating revenue	\$64.7m	\$61.7m
Earnings before Dep'n & Discount	\$18.1m	\$19.4m
Depreciation	\$9.4m	\$9m
Discount to consumers	\$7.7m	\$7.0m
Net Profit (before tax)	\$1.05m	\$3.4m
Total Assets	\$210m	\$202m
Shareholders Equity	\$138m	\$137m
Net Asset backing per share	\$5.64	\$5.59

Network Information

- Electricity unit sales were up 1.71% for the year ended 31 March 2016
- Electricity sales for the first quarter of this year are 3.63% down on last year
- New connections 390 (401 last year)

Reliability – SAIDI

Average minutes off per annum



Major projects



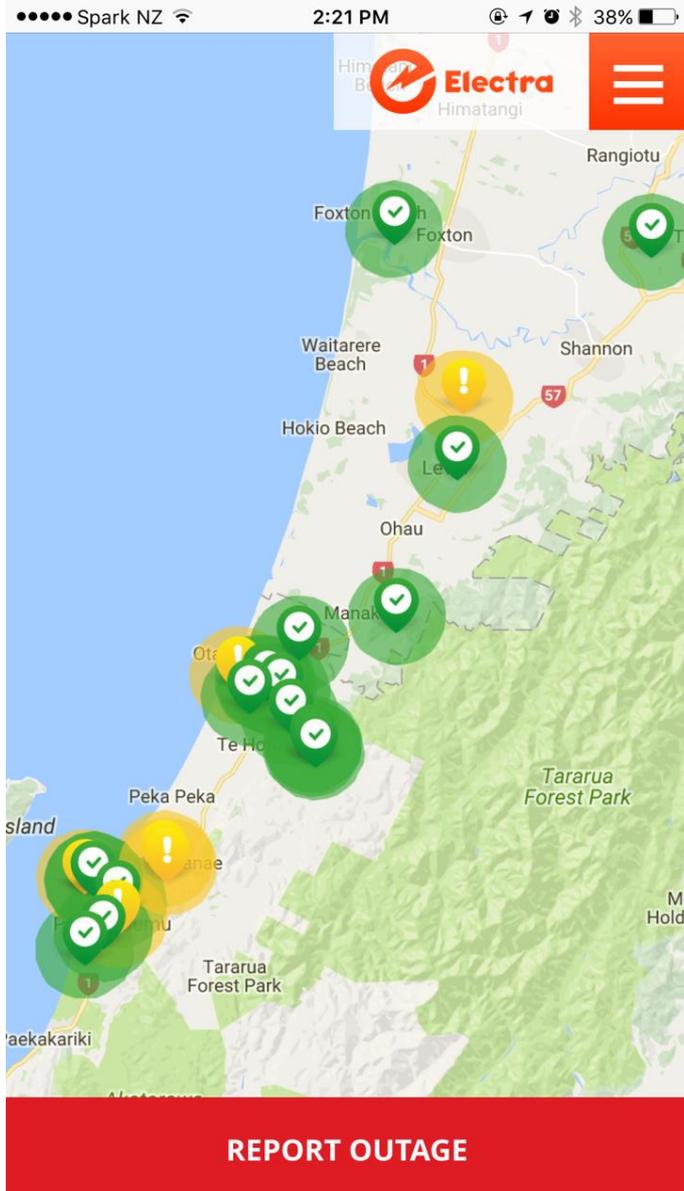
- NZ first Loop Automation Scheme
- Rebuild of the Paraparaumu substation
- Purchase of 110kV Mangahao to Levin line from Transpower

All 3 projects provide improved reliability of the network.

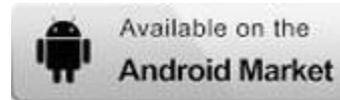


Network Technology Changes

- Embedded Generation
 - Solar Photovoltaic
 - Cogeneration
 - Buy back prices
- Electric Cars
- Self healing networks
- Better customer communications
- Smart meters
- ADMS



Download the App



Customer Communications

- Electricity outages viewable as maps on the company website
- Customers able to report faults and keep informed by using mobile applications
- Calls answered by people who know the estimated repair time and cause of faults
- Website refreshed to make finding information easier

**WHEN EVERYONE ELSE IS
TOLD TO STAY AT HOME,
OUR PEOPLE GO TO
WORK**



BUCKET CAPACITY MAXIMUM 200kg
CRANE CAPACITY MAXIMUM 290kg

Sunday 24 July 2016

- Significant damage in a number of areas
 - Otaihanga
 - Otaki
 - Opiki
 - Koputaroa
- 324 fault calls to 0800
- High use of the outage page via mobile devices
- 240 Outages dispatched to crews
- 10 of these were on higher voltage lines

Network Pricing

- Transpower pricing
- Time of Use network pricing
- Low user charges

Transpower Pricing



- Transpower prices to Electra (passed on directly to those connected to the Electra network) increased on 1 April 2016 by around \$750,000 (\$17 per customer per year)
- This was due to changes in calculating costs related to the removal of the 110kV line from Pautahanui to Paraparaumu
- The Electricity Authority is looking at changing Transpower's pricing methodology
- One scenario could see total prices on electricity bills in the Electra area increase by over 3% in 2019/20



Community Support

- Business Awards (22 Years)
- Business Breakfasts and BA5's
- “Caring for our Community” Page
- Trainee Programme
- Energy Efficiency – heat pump discount



Electra

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owned
electricity lines
company

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www.electra.co.nz

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Water meter reading is increasingly important with DataCol capturing and collecting the majority of the water metering sector

- National electricity, gas and water meter reading and data collection company
- Offices in Auckland, Wellington & Christchurch
- Started water reading 6 years ago now 85% of the NZ market including Auckland, Tauranga, Hamilton, Whangarei, Nelson and Dunedin
- 146 staff and reading contractors
- International clients; Sydney Water, Uganda Electricity

Richardson Wayland Electrical Company, LLC
Argos Utilities Corp

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ogy

research

Richardson Wayland

Richardson Wayland

Argos Utilities Corp





The logo for SkyComms, featuring a stylized blue arc of dots above the company name "SkyComms" in a blue, sans-serif font.



Sky Communications

- Solid profit for the year (100% over budget)
- Significant contracts for 4G (LTE – Long Term Evolution) build for Spark, 2degrees and Vodafone
- Continuing to perform well in IBC (in building cellular) – e.g Waterview tunnel



SECURELY

the peace of mind company

Securely

- Ambitious 3 year plan to build a World Class Monitoring business
- Relocated operations to Levin
- Expanding into Kapiti & Horowhenua



If my alarm goes off, I've asked Securely to call my neighbour & send a guard

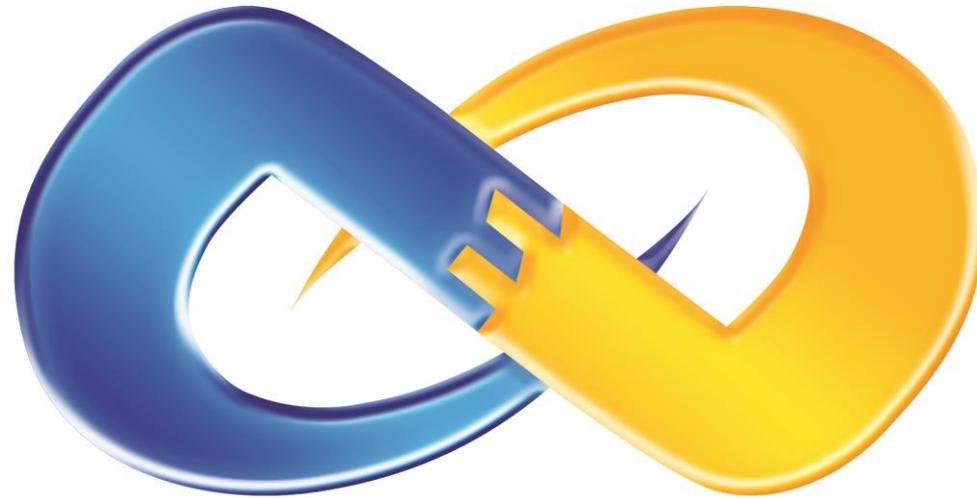
If my alarm goes off, I've asked Securely to text me

If my alarm goes off, I've asked Securely to text my office manager

*Alarm Monitoring
- just the way you want It*



SECURELY



electraenergy

Electra Energy

- Market has become very competitive
- Customer acquisition improving but below target levels
- Improved awareness
 - 36% for residential
 - 40% commercial
- Assessing options for the future

Giving Back to Our Community

- \$9,000 to our customers (our owners) and \$9,000 to nominated local charities, schools and organisations in our first nine months
 - Manawatu Marine Boating Club
 - Te Whare Tiaki Wahine Refuge
 - HALT - Horowhenua Abuse Liaison Team
 - Kapiti's Pakeke Lions Club
 - The Radio Reading Service
 - Kapiti Youth Support
 - Riding for Disabled
 - Manawatu Coast Guard



Future Outlook

- Electra is in a solid financial position with a strong asset base
- Continuing to look for opportunities to grow and diversify the business and provide value to consumers
- Continue to work with the two Councils and the community to support regional development



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