



Annual Customer Meeting 28 July 2017



Delivering value to our communities

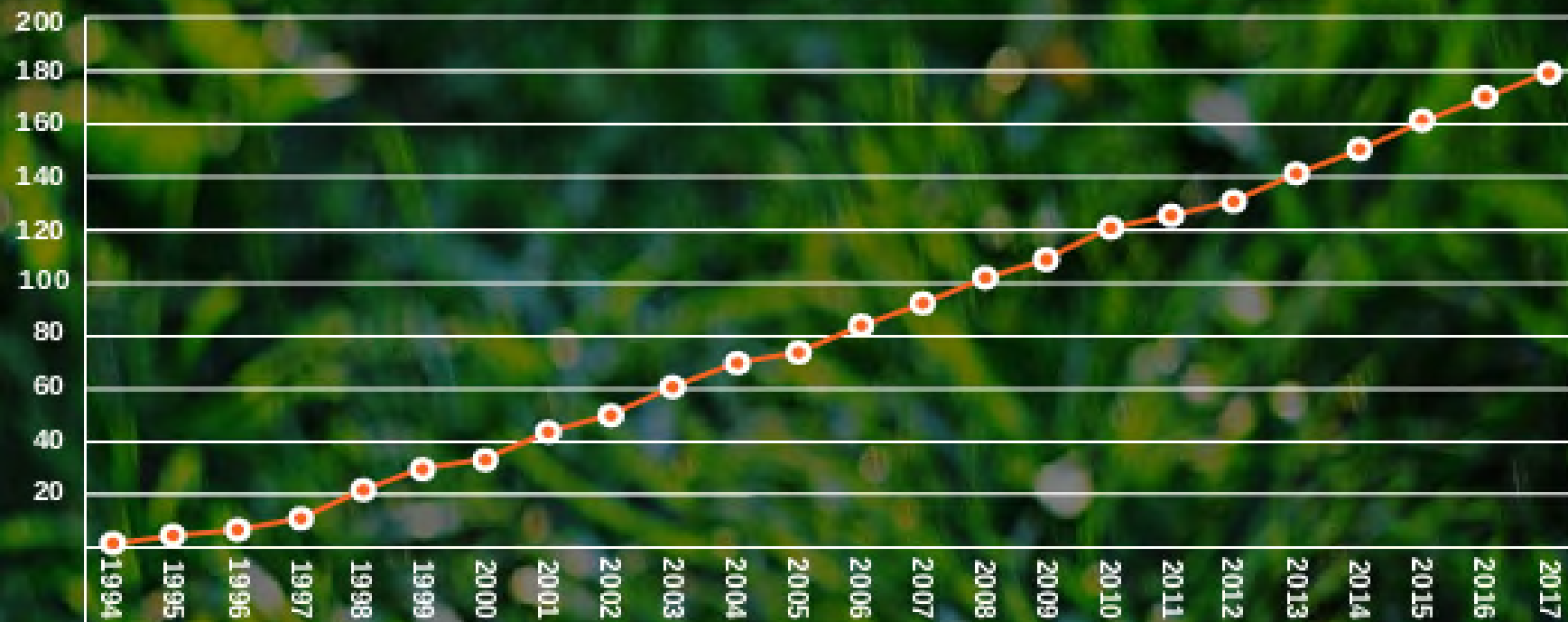
Our greatest commitment to the community is to deliver safe and reliable power at a fair price, and to maximise the annual Electra sales discount that is credited to each electricity account on the Electra network.

\$179m

in total sales discounts to our consumers over the last 24 years.

\$ Millions

Incl GST

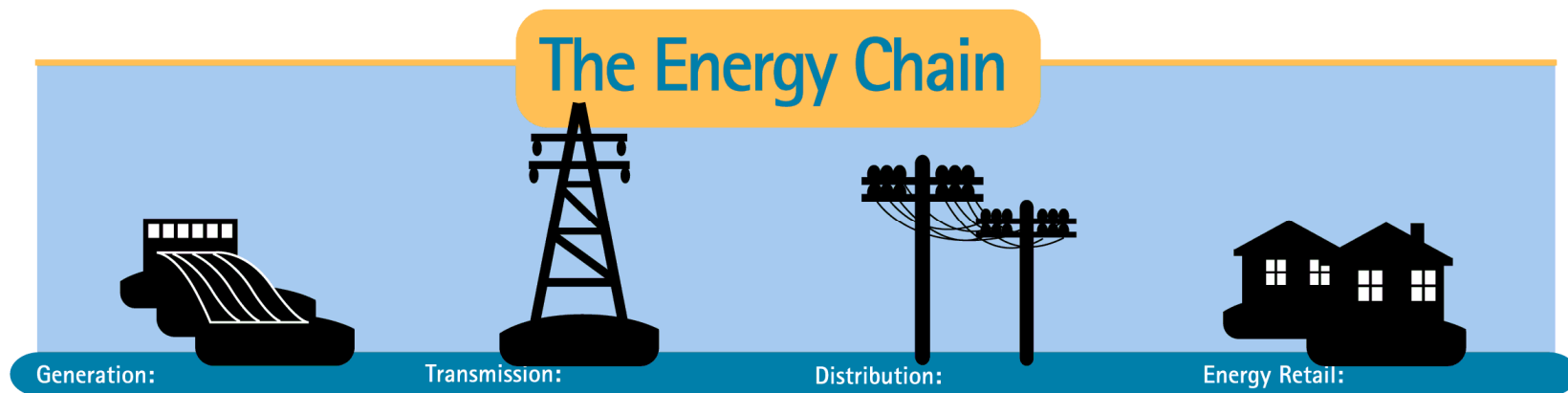


Network Information

- Connections – 44,159
- System length – 2,248kms
- # of poles – 21,438
- # of Transformers – 2,572
- Maximum demand – 104MW
- 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)



Contact Energy
Ecotricity
Electric Kiwi
Energy Online
Flick Energy
Genesis Energy
Globug
King Country Energy
Mercury Energy
Meridian Energy
Nova Energy
Opunake Hydro
Pioneer Energy
Plus Energy
Powershop
Prime Energy
Pulse Energy
Simply Energy
Switch Utilities
Trustpower

Electra
Trust

Board

Chief Executive




SkyComms

DATA COL
www.datacolgroup.com

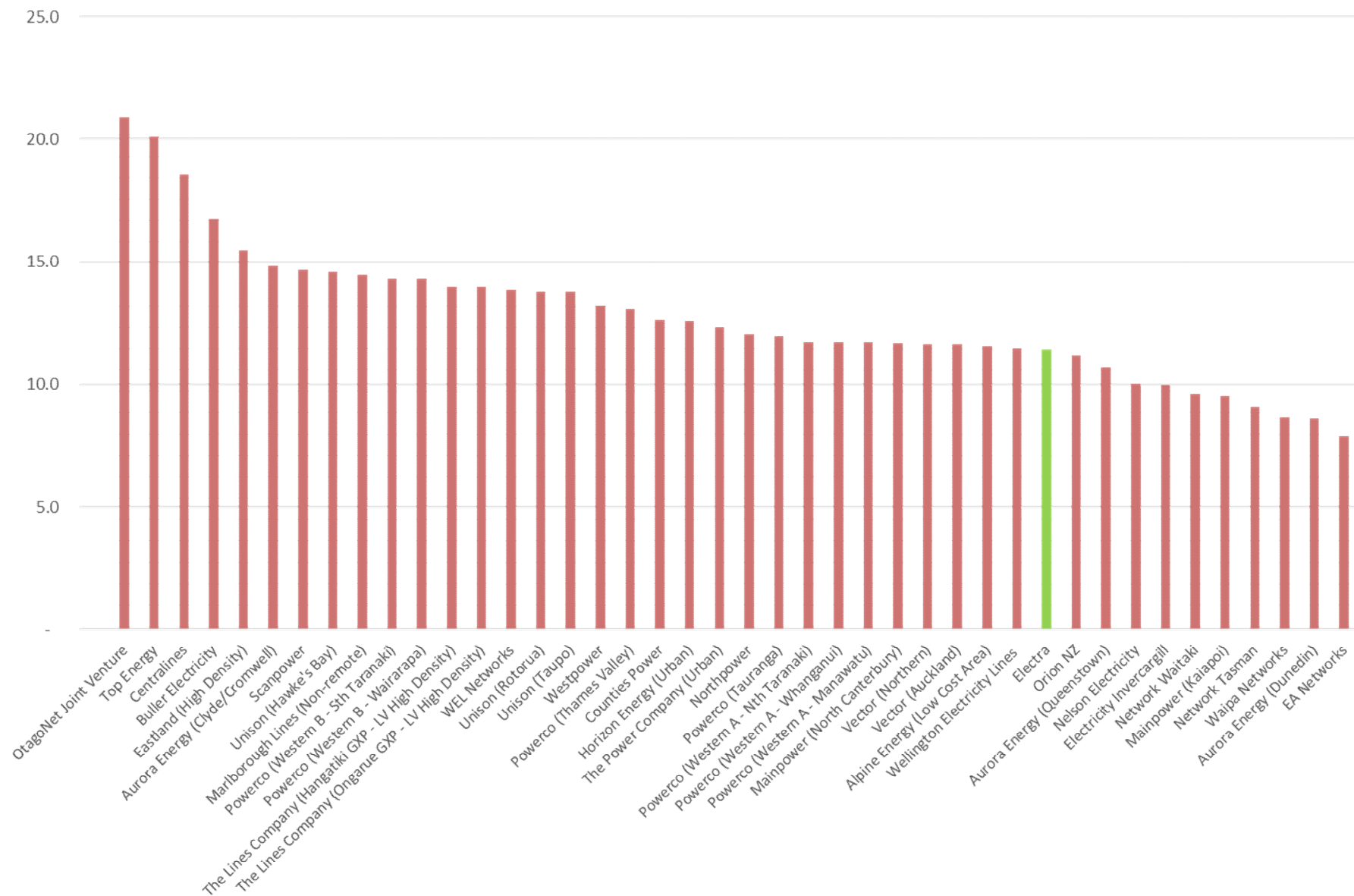


SECURELY
the peace of mind company

Key Facts

- Electra 9th largest number of ICP's out of 29 network companies
- Employ 170 staff across the Group
- Total shareholder funds \$138m
- Paid \$8.6m in discounts (\$179m incl GST over 24 years since Electra formed)
- Electra 11th lowest electricity network prices per kWh

Lines Company c/kWh



Financial Performance

- Profit after tax of \$0.8m was below target, however up on prior year \$0.3m profit
- Goodwill write-off of \$3m impacting profit and a year of continued investment in subsidiaries with \$1.6m Trading losses across subsidiary portfolio
- Full revaluation of network assets confirmed the carrying value of network assets is appropriate
- Net assets (i.e., equity) has reduced \$0.3m this year as disposal of revalued assets and dividends paid exceeded current year profits

Year End Group Results

Financial (millions of dollars)	2017	2016
Operating revenue	\$66.4m	\$64.6m
Earnings before Depreciation, Amortisation & Discount	\$19.3m	\$18.5m
Depreciation and Amortisation	\$10.3m	\$9.7m
Discount to consumers	\$7.5m	\$7.7m
Net Profit before tax	\$1.5m	\$1.1m
Total Assets	\$213m	\$210m
Shareholders Equity	\$137.8m	\$138.1m
Net Asset backing per share	\$5.63	\$5.64

Zac Thomas and Hone McDonnell-Walker replacing 11kV conductor and crossarms



Working Smarter.

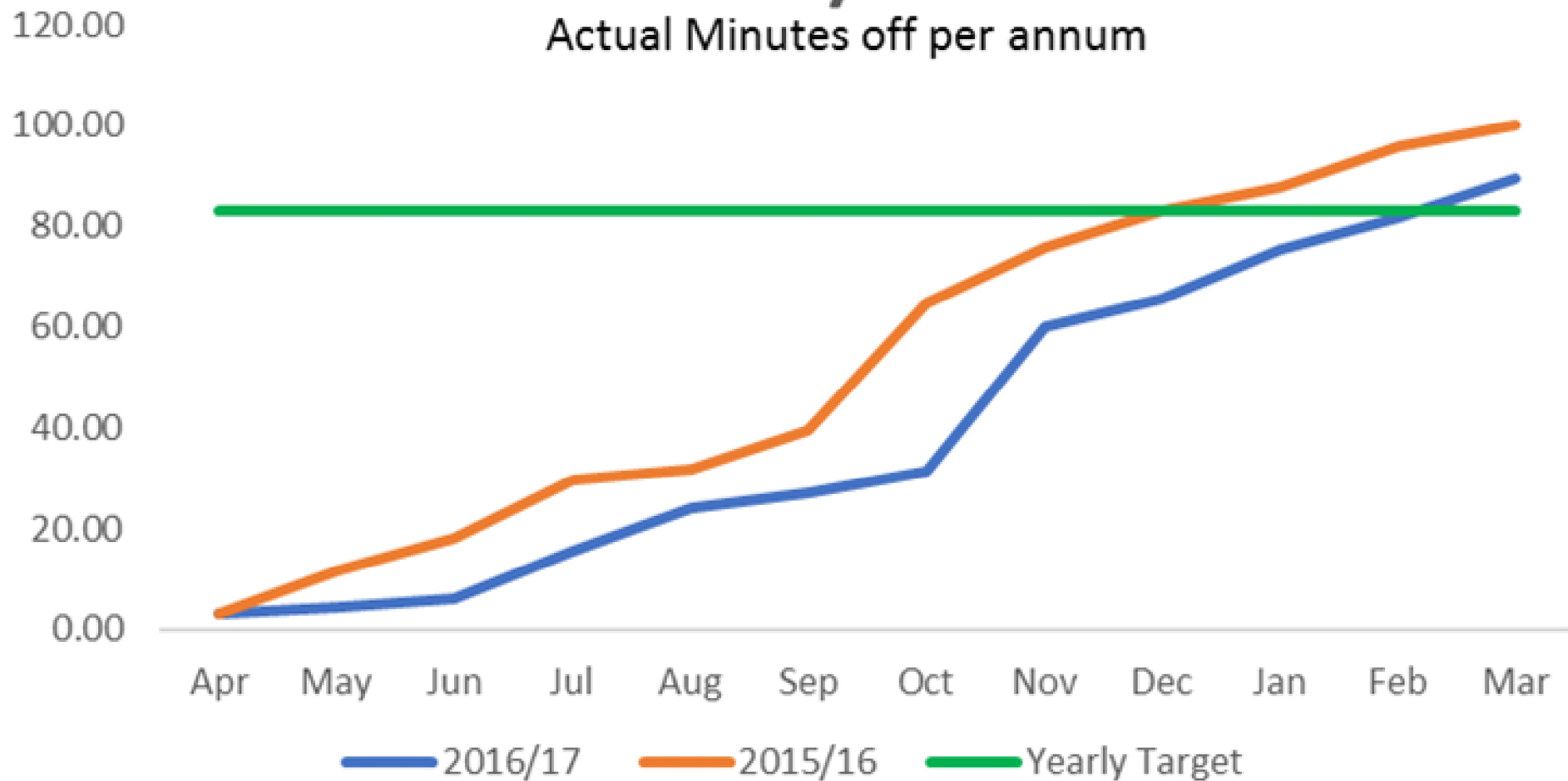
Delivering More

Network Information

- Electricity unit sales were 1% down for the year ended 31 March 2017
- Electricity sales for the first quarter of this year are 9% up on last year
- New connections up 25% to 488 (390 last year)

Reliability - SAIDI

Actual Minutes off per annum



Shazil Khan working on the new Paraparaumu substation

Our network



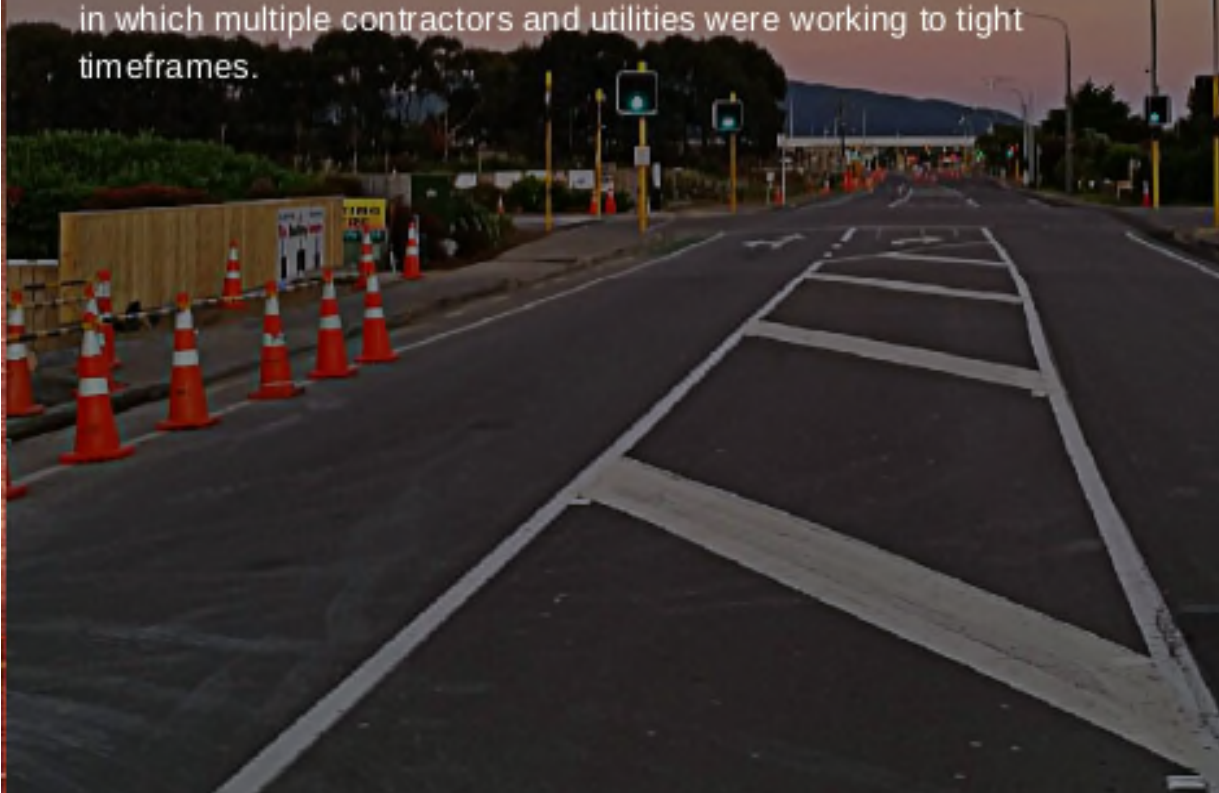
The new Paraparaumu substation provides greater flexibility and reliability on our network and will support growing demand in the Kapiti area for the foreseeable future.

Major projects

- In 2015 we set the company on a direction to create a modern electricity network, with modernised information systems and smart network technologies.
- Making these changes to the network allows us to make use of automated switching opportunities to isolate faults and get the power back on quickly.
- The rebuild of the Paraparaumu substation was completed in 2017 with the existing 11kV and 33kV switchgear removed and replaced with an indoor 11/33kV switch room, incorporating fire proof walls.

Kapiti Road Undergrounding

Over the past year we have been particularly proud of the partnership we formed with the Kapiti Coast District Council to deliver a community project that saw undergrounding and relocation of electricity services along Kapiti Road to accommodate the new expressway and to improve pedestrian access. The work site spanned a kilometre in which multiple contractors and utilities were working to tight timeframes.



A New, Challenging Asset Management Plan



The 2017 – 2027 AMP is a significant overhaul, which:

- Creates strong connection between the AMP, the Annual Works Plan, business plans and budgets of the Lines Business
- Signalled initiatives to critique two of our larger replacement programmes - conductor and cross arm replacement
- Includes safety and network performance improvements through risk based replacement programmes, and a strategic project to enhance vegetation risk
- Targets improvements in network resilience in sub transmission network availability, and distribution by continuing deployment of feeder interconnectivity and self-healing schemes
- Includes projects to provide a clearer view of our customers experience of network performance. This will use reports available in our new ADMS and influence network management and works management plans.

We have adopted a process of continuous improvement with the ultimate aim being to achieve zero harm.

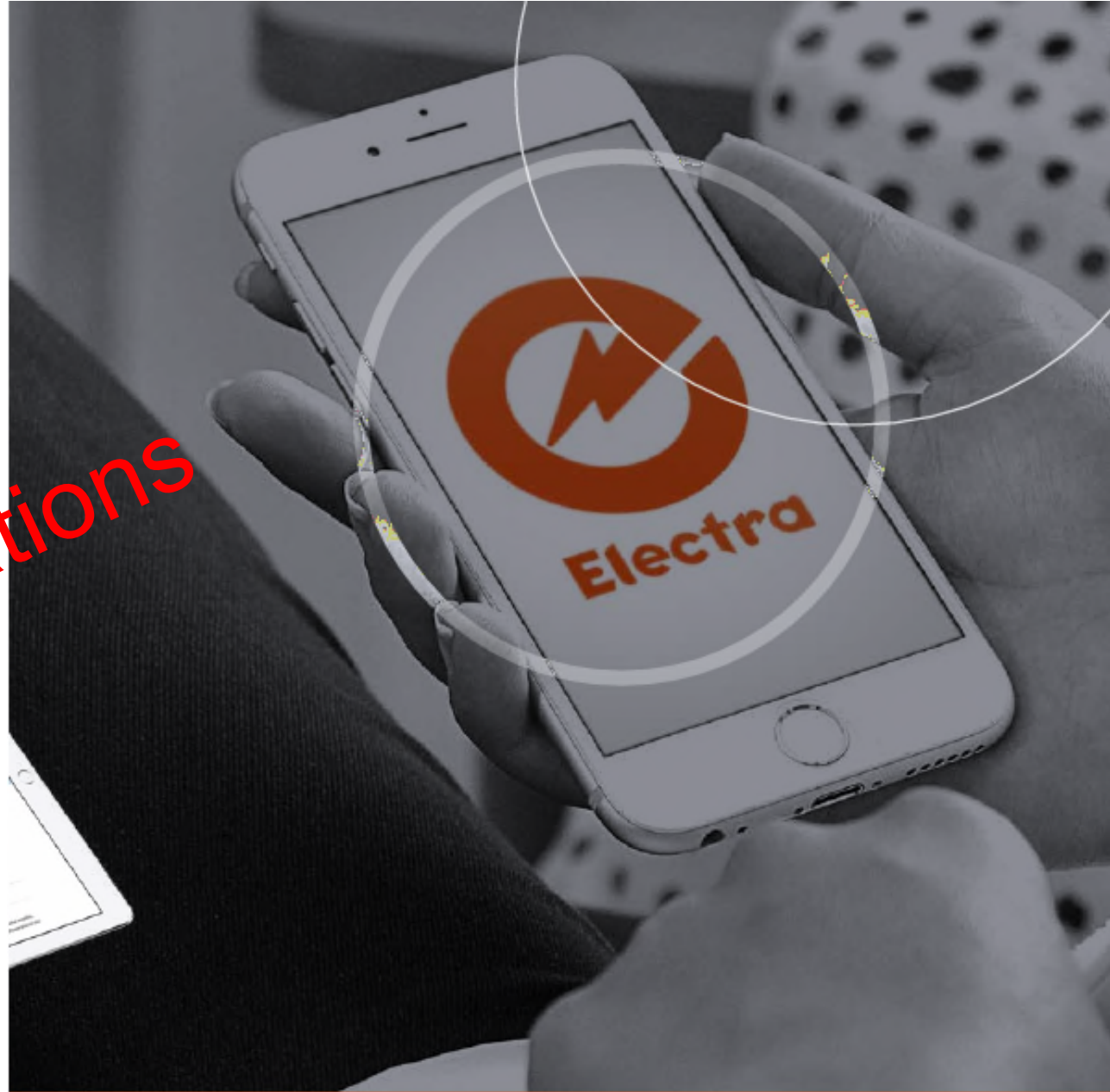
Taking care of each other



Safety

- Continuous improvement reduction in lost time injuries and reduced time off work per injury tracking to forecast through regular feedback, sharing learning's and attention to alternative duty/return to work programmes
- ACC experience rating has improved with less claims for time off work (weekly compensation payments ACC has to pay for Electra Group work related injury claims) reduced by 17%
- New incident and hazard reporting tool to be implemented in July 2017 (Vault) delivers more efficient process for field workers to enter information straight from the field

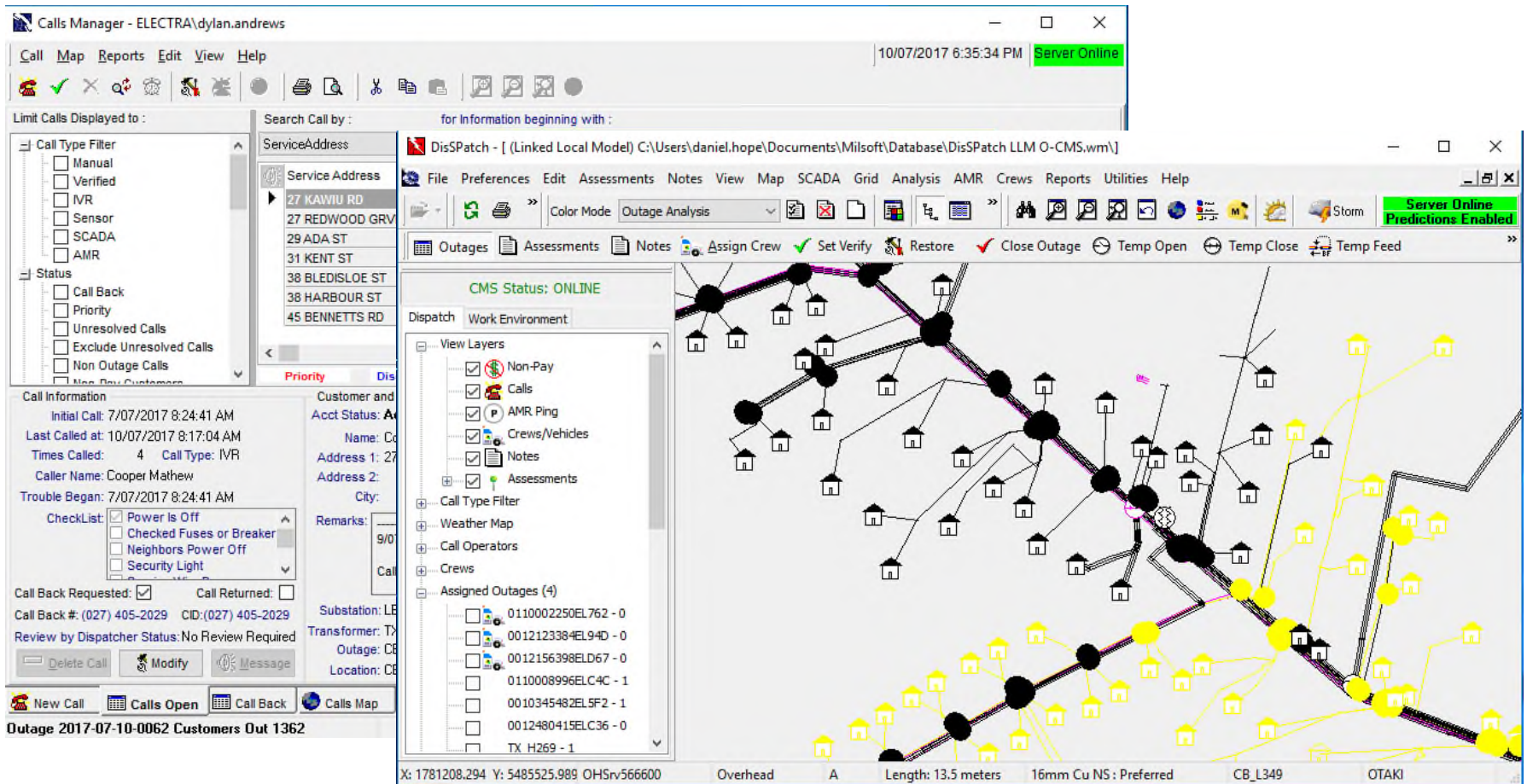
Customer Communications



These real-time customer information tools are proving extremely popular with over 500 views per month, 56% of them from mobile devices.

Network Technology Changes

- Advanced Distribution Management System (ADMS)



The screenshot displays the Electra Advanced Distribution Management System (ADMS) interface. The main window shows a map of a power distribution network with various components like lines, transformers, and customers. The interface includes several panels and toolbars:

- Top Bar:** Shows the application name "Calls Manager - ELECTRA\dylan.andrews", a menu bar (Call, Map, Reports, Edit, View, Help), a toolbar with icons for various functions, and a status bar indicating "10/07/2017 6:35:34 PM" and "Server Online".
- Left Panel:** Contains filters for "Call Type Filter" (Manual, Verified, IVR, Sensor, SCADA, AMR) and "Status" (Call Back, Priority, Unresolved Calls, Exclude Unresolved Calls, Non Outage Calls, Max New Customers). It also displays "Call Information" for a specific call, including "Initial Call: 7/07/2017 8:24:41 AM", "Last Called at: 10/07/2017 8:17:04 AM", "Times Called: 4", "Call Type: IVR", "Caller Name: Cooper Mathew", "Trouble Began: 7/07/2017 8:24:41 AM", and a "CheckList" with items like "Power Is Off", "Checked Fuses or Breaker", "Neighbors Power Off", and "Security Light".
- Search Call by:** A section for searching calls by "ServiceAddress" (27 KAWIU RD, 27 REDWOOD GRV, 29 ADA ST, 31 KENT ST, 38 BLEDISLOE ST, 38 HARBOUR ST, 45 BENNETTS RD) and "Priority".
- Dispatch - [(Linked Local Model) C:\Users\daniel.hope\Documents\Milsoft\Database\DisSPatch LLM O-CMS.wm]:** A secondary window showing a map of the same area, with a toolbar for "Outages", "Assessments", "Notes", "Assign Crew", "Set Verify", "Restore", "Close Outage", "Temp Open", "Temp Close", and "Temp Feed". It also displays "CMS Status: ONLINE" and "Dispatch Work Environment".
- View Layers:** A list of layers to be displayed on the map, including "Non-Pay", "Calls", "AMR Ping", "Crews/Vehicles", "Notes", "Assessments", "Call Type Filter", "Weather Map", "Call Operators", "Crews", and "Assigned Outages (4)".
- Assigned Outages (4):** A list of outages with details like "0110002250EL762 - 0", "0012123384EL94D - 0", "0012156398ELD67 - 0", "0110008996ELC4C - 1", "0010345482EL5F2 - 1", "0012480415ELC36 - 0", and "TX H269 - 1".
- Bottom Bar:** Shows coordinates "X: 1781208.294 Y: 5485525.989 OHSrv566600", a scale bar "Length: 13.5 meters", and other technical details like "16mm Cu NS: Preferred", "CB_L349", and "OTAKI".

ADMS

- **Benefits**
 - Single source of truth
 - Codifying business expectations
 - Improved decision making
 - Infinite scalability
 - Greater Visibility
 - Improved customer service
 - Improved reliability

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



Community Support



2016 Electra Business of the Year

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



Electra

Your locally
owned
electricity lines
company

0800 353 2872
www.electra.co.nz



DATA COL
www.datacolgroup.com





DataCol: Agricultural Sector Provides Opportunities

DataCol is a data collection, monitoring and management business, based in Christchurch with branches in Auckland and Wellington.

- Sydney Water and Watercare contracts tracking well.
- Additional services to Sydney Water (e.g Automated Meter Reading).
- Gaining further work for Councils on replacing meters to smart meters and supporting billing.
- Continue to work on sales of Seven X (Australia and USA).
- Agritech/Watermetrics business tracking well. The acquisition has resulted in better access to schemes rather than just working solely with individuals e.g Waimakariri Irrigation Scheme



- Significant pipeline of 4G (LTE – Long Term Evolution) build and upgrades for Spark, 2degrees and Vodafone
- Leading from the front with the deployment of new generation microwave radio systems
- Significant opportunities due to the RBI2 (Rural Broadband Initiative, Round 2) project
- Product sales progressing well with a diverse range of offerings to a wide range of non-traditional clients



Electra Energy



- During the year Electra exited the retail electricity market and the Electra Energy brand and customer base were sold to Pulse Energy Alliance LP.
- At the same time an agreement was entered into for Electra to provide call centre services to Pulse, meaning all Electra Energy staff were retained and transferred to a new Electra Services Business unit.

Electra Services



Electra Services is a new business bringing together the operational teams of Electra Monitoring Ltd and Electra Energy to create a full service monitoring, response and call centre service.

Electra Services provides:

- Alarm response and dispatch
- Telephone answer services to a range of businesses
- Response to all of Electra's inbound numbers including fault response and dispatch (as from 11 July 2017)
- Inbound Contact Centre Services for Pulse Energy's Grey Power and Electra Energy brands
- Outbound Telesales for Pulse Energy
- The team in Levin is making a significant contribution to the Pulse Energy Alliance meeting all KPI's

Call centre experience
delivers opportunities

Securely

Securely: Independence Monitoring Keeps People at Home Longer

An advertisement for Securely Alarm Monitoring. It features three circular portraits of people, each with a speech bubble indicating their preference for the service. The top portrait is of a man with glasses, the middle is of a woman, and the bottom is of a woman. The background is black, and the text is white and blue. At the bottom, the Securely logo is displayed.

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

Securely



- Operates as part of the Electra Services Limited
- Securely is well positioned for growth and is working to a robust investment programme
- Partnered with Main Security providing alarm monitoring and call centre services
- Long term strategy underway for independent living

Electra Generation



Electra Generation

- Generation was unusually low due to high hydro inflows
- Performed well on revenue earned from ancillary services at times of peak demand
- Recent low inflows are causing prices to rise – we can expect a better result this year

Future Outlook

- The Group is well positioned for future growth and has set some ambitious goals for the next 15 to 20 years.



Annual Customer Meeting

28 July 2017