

## 100% Consumer Owned

Electra is wholly owned by its 45,948 consumers, stretching from Paekakariki in the south to Foxton and Tokomaru in the north. Shares in the company are held on behalf of all consumers by a Trust whose six Trustees are elected under a Trust Deed to represent the owners' interests and protect their asset.

As your elected representatives, the Electra Trust is committed to ensuring power is delivered safely and reliably to every home, business, school and organisation that we represent.

We do this by working with the Board and Senior Leadership Team to maximise the annual Electra price discount that is credited to each electricity account on the Electra network.

Climate change and exiting our dependence on fossil fuels - decarbonising - mean many new challenges for the electricity sector. It's therefore important for Electra's beneficiaries to rest assured that the company is already getting to grips with the changes that face us all and are developing new strategies for the future. Electra is deservedly one of the best lines companies in the country and their commitment to the community is second to none when trouble strikes. We owe their dedicated staff our continuing appreciation.



Sharon Crosbie,  
CNZM OBE, Chair, Electra Trust

Over the last 29 years we are proud to have been able to deliver more than **\$216.6M** in price discounts to the consumers on the Electra network.

**\$5.8M**  
in price discounts  
issued in 2022

# Annual Report

In Brief

For the year ended 31 March 2022



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View Annual Report online

[www.electra.co.nz/our-company/disclosures](http://www.electra.co.nz/our-company/disclosures)

For the latest network information

0800 LOST POWER

[www.electra.co.nz](http://www.electra.co.nz)

Mobile App

## Our Results

### Highlights

For years ended 31 March In thousands of dollars	2022	2021	2020
Electricity sold (GWh)	424	421	415
Revenue (\$'000)	50,929	45,387	45,890
Price discount issued, excl GST (\$'000)	5,100	5,100	8,000
Total shareholders' funds to total assets	58%	57%	59%

### Network Company Only

For years ended 31 March	2022	2021	2020
Electricity operating costs per consumer	\$301	\$293	\$288
Capital expenditure costs per consumer*	\$294	\$313	\$561
Reliability average outage minutes per consumer per year	101	74	95

\*2020 Capital expenditure includes one-off regulatory adjustments, value pre-adjustment is \$348

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It's a privilege to lead the Electra Group as we celebrate our centenary later this year. The people who came before us created a solid base for us to build on and we have accepted the challenge of doing the same for those who follow. The Group has produced another solid result for the year to 31 March 2022 despite the ongoing impact of COVID-19 and the challenges of preparing our business for the governments decarbonisation and electrification commitments.”



	Financial Performance Highlights		NZ IFRS	
	In thousands of dollars		2022	2021
Total operating revenue (net of price discount) earned by the group	Operating revenue		50,929	45,387
The discount for each individual consumer was based on the amount of network charges paid	Discount issued to consumers (excl. GST)		(5,100)	(5,100)
	Operating surplus / (deficit)		(401)	(731)
	Taxation		511	1,346
	Profit from discontinued operations		0	295
After price discount and then deducting costs of running the business we're left with this figure	Net profit / (loss) after taxation		110	910
We paid a dividend to the Electra Trust to cover the Trust's expenses	Dividends		(300)	(300)
	Net revaluations		179	10,176
	Equity at start of year		174,357	163,571
	<b>Equity at end of year</b>		<b>174,346</b>	174,357
	<b>Financial Position Highlights</b>			
	In thousands of dollars		2022	2021
	Share capital		18,000	18,000
	Retained earnings		76,000	75,633
	Reserves		80,346	80,724
This is the amount that owners have invested in the company and is the company's net asset value. It's made up of the original share capital, revaluation reserves and retained earnings.	Total shareholders' equity		174,346	174,357
Includes deferred tax liabilities of \$42m	Long term liabilities		122,030	121,259
	Total current liabilities		6,664	8,192
	Total shareholders' funds and liabilities		303,040	303,808
	Long term assets		275,844	283,078
	Total current assets		27,196	20,730
The total assets of which 27% is funded by borrowings	<b>Total Assets</b>		<b>303,040</b>	<b>303,808</b>
	<b>Cash Flow Highlights</b>			
	In thousands of dollars		2022	2021
The cash generated from day to day operations	Net cash flows from operations		14,586	9,176
The cash spent on assets and new businesses (including sales)	Net cash flows to investing		(3,829)	(21,453)
The loans borrowed or repaid	Net loans raised and cash flows from financing		(2,817)	16,199
	Net (decrease)/increase in cash held		7,940	3,922
Cash in bank at the beginning of the year	Opening cash		5,068	1,145
The bank balance at the end of the year (including short term deposits)	<b>Ending cash carried forward</b>		<b>13,008</b>	<b>5,068</b>

# The Electra Group

The Electra Group works together to deliver a range of products and services that contribute to the Group's overall financial performance and the value we provide to our owners - the consumers connected to the Electra network. We are also committed to supporting regional growth and the wellbeing of the communities we serve.

## SUBSIDIARY

### ELECTRA LIMITED

an electricity network company, based in Levin with a branch in Paraparaumu, employing 106 people.

### ELECTRA SERVICES LIMITED

trading as SECURELY®, employing 52 people and based in Levin, the company is a medical alarm and security monitoring business as well as a call centre business.

## MINORITY INTEREST SHAREHOLDINGS

### HOROWHENUA DEVELOPMENTS LIMITED

an investment (25%) in a large-scale commercial property development company, based in Levin.

### QUAIL RIDGE COUNTRY CLUB

an investment (49.9%) in an established and well-run retirement village in Kerikeri in the Far North.

### PULSE ENERGY ALLIANCE LIMITED PARTNERSHIP

a minority shareholding (4.02%) in an Energy retailing company.

### LINAX LIMITED

a small investment (6.8%) in a locally-based sustainable footwear company.

# Key Highlights

**\$216.6M**

in price discounts (incl. GST) issued to electricity consumers over the last 29 years

**\$110K**

Group net profit after tax

**45,948**

consumers connected to our network

**\$16M**

annually spent directly supporting local people and businesses

**\$50.9M**

in total Group revenue

**365**

new connections to the network this year

# Our Network

We own and operate the electricity network in the Kāpiti and Horowhenua regions, stretching from Foxton and Tokomaru in the north, to Paekakariki in the south.

Our network of 2,350km in circuits supplies 45,948 consumers across an area of 1,628km<sup>2</sup>, making us New Zealand's ninth largest lines company in terms of connections to the network.



TOTAL ELECTRICITY DELIVERED

**424 GWh**



AVERAGE SALES PER CUSTOMER

**9,234 kWh**



MAXIMUM DEMAND

**111 MW**



NETWORK AREA

**1,628 KM<sup>2</sup>**



TRANSMISSION & DISTRIBUTION

**2,350 KM**



TRANSFORMER CAPACITY

**344,615 kVA**

## Climate Change and Greenhouse Gas Emissions

As a business we want to help reduce the human impact on climate change. Part of this is understanding how our own activities can materially impact this change. Our network is not immune to changes in the environment such as coastal erosion and rising sea levels so we need to identify how we can deliver a more resilient network into the future.

We recently commissioned an external party to conduct a baseline carbon footprint assessment across our entire business. This study was featured on a TVNZ 1 News article on 21 October 2021, aligning our business with COP26 and sustainability.



The carbon footprint baseline assessment has helped us understand where emissions are being generated and, more importantly, allows us to set a target to manage a reduction in our Greenhouse Gas emissions in line with New Zealand's target under the Climate Change Response Act 2002 for net zero emissions by 2050.

## Looking Ahead

Despite the strong economic headwinds facing New Zealand through rising inflation and interest rates, global economic and political instability, and the continuation of the pandemic into its third year, our local economy continues to outperform the national averages.

Across the region we have experienced GDP growth and increased consumer spending while unemployment rates at nearing record lows. The construction sector has led the way in terms of job creation while the continuing improvements to regional infrastructure are stimulating population growth and local investment.

The OECD economic survey for New Zealand 2022 estimates a significant slowing in economic growth for the next two years with unemployment rates remaining extremely low. However, we believe our region will remain well placed for growth and we are committed to investing more than \$138 million in our network over the next 10 years to support this growth. This investment will ensure we can continue to deliver a safe and reliable electricity supply across our network and have the capacity to meet the challenges and opportunities from sustained regional growth, transport electrification and decarbonisation goals.

Alongside this we will continue to look for opportunities to stimulate further regional growth through our investment strategy and our ongoing collaborations with local councils and businesses to support and attract local growth and development.



## Backing Innovative Local Businesses

We are committed to supporting innovative local businesses that have the potential to make a significant contribution to the local economy and the communities within it. Having sustainability at the core of the business and a focus on giving back are important additional attributes.

It's for these reasons that we have chosen to invest in a local start-up looking to revolutionise the footwear industry, Orba Shoes, taking a small 6.8% stake in the Waikanae-based business.

Launched in 2021, Orba Shoes won two major awards within six months of its launch, including the sustainability category at the 2022 Global Footwear Awards.

Orba's Ghost sneaker is the world's first biodegradable shoe, with 94% plant-based materials that are highly renewable.

As a certified B Corp business, Orba also meets high standards for employee benefits, charitable giving, supply chain practices and input materials.

