



Your Electricity Network Company

Celebrating 100 Years of Electricity Supply

Electra owns and operates the electricity network supplying the Kāpiti and Horowhenua districts, from Paekākāriki in the south to Foxton and Tokomaru in the north.



The first Horowhenua Electric Power Board (HEPB), the company that would eventually become Electra Ltd, was elected on 8 February 1922 and work immediately began on designing and planning the Horowhenua district's new electricity network.

On 3 November 1923, electricity was supplied to the HEPB's first customers (in Shannon) via the Mangaore Stream Steam Plant.

One hundred years later, on 3 November 2023, a small ceremony was held in Shannon to celebrate Electra's centenary of electricity supply. A Rewarewa tree was planted and a bench seat, made from old cross arms, was gifted to the local community.

Proudly Trust Owned

Electra is 100% owned by the Electra Trust, with shares in the company held on behalf of the 46,749 consumer beneficiaries that have a connection on the Electra network. Six Trustees are elected under a Trust Deed to represent the owners' interests and protect their asset.

Amongst its many roles, the Electra Trust works with the Electra Board and Senior Leadership Team to ensure an annual discount is returned to beneficiaries in the form of a credit on your electricity account, normally around February each year.

The total value of discount applied to electricity accounts this year was **\$5.9 million dollars**. And since the Trust was formed in 1991, your Electra Trust has provided a total of **\$228 million dollars** in discounts.

"The Trustees are delighted to welcome our new Chief Executive, and the Directors joining the Board. We appreciate the challenges that lie ahead for them as they plan for a complex 'all-electric' future. Beneficiaries, however, can rest assured their interests are always top of mind."

Sharon Crosbie,
CNZM OBE, Chair, Electra Trust



In the year to 31 March 2024

We employed

168

people across the
Electra Group

We delivered

428 GWh

of electricity to consumers on
our network

We supplied electricity to

46,749

consumers on our network

On average, that is

9,155 kWh

of electricity per consumer

We managed

\$444.4m

in total assets

We spent

\$34.8m

investing in, operating and
maintaining our network

A message from our Chairman and Chief Executive

It is our great privilege to provide this update for the Electra Group, the first in our roles as the new Chair and Chief Executive of Electra.

These are exciting times for the electricity industry, and for Electra.

In recent years, the outlook for the electricity industry has shifted dramatically. The fundamental change is that New Zealand has committed to a 2050 carbon neutral target. To achieve this, our economy must electrify, moving away from coal, oil and gas, referred to as decarbonisation.

Local electricity distribution networks, such as Electra, will play a key role in New Zealand's move to a decarbonised economy. Work is already underway to ensure our network can continue to safely and reliably meet the needs of electricity consumers across the growing Horowhenua and Kāpiti districts.

We're working to engage with customers in new ways as expectations evolve and change. We're managing the connection and integration of new renewable energy generation, such as solar, domestic storage batteries and electric vehicles into our network.

Our recently released 2024 Asset Management Plan Update sets out how we will invest over \$250 million in our network in the coming decade to renew our assets and build for growth, along with a further \$23 million expected to be invested in other property, plant and equipment.

To prepare our business for the opportunities from decarbonisation and electrification, we've been building a team with strong governance and management skills, welcoming five new directors to the board, along with a new board Chair, a new Chief Executive and new senior leaders over the last year.

Almost 10 years ago, Electra embarked on a strategy to acquire and develop businesses outside the core electricity network business that would create additional long-term income streams. This team has collectively undertaken a strategic review and has agreed a new strategy that has seen us exit investments that aren't core to our business and would not support Electra meeting New Zealand's accelerated move to electrification.

Amongst all the change taking place in our business, we remain proud to have returned over \$228 million during the past 31 years of local consumer trust ownership. Being trust-owned continues to work well, delivering clear value to our consumer beneficiaries in terms of service, support and financial returns.

The future for our sector, and our business, is positive. The next decade will bring major changes and it will be an exciting time for our business and the communities we serve.

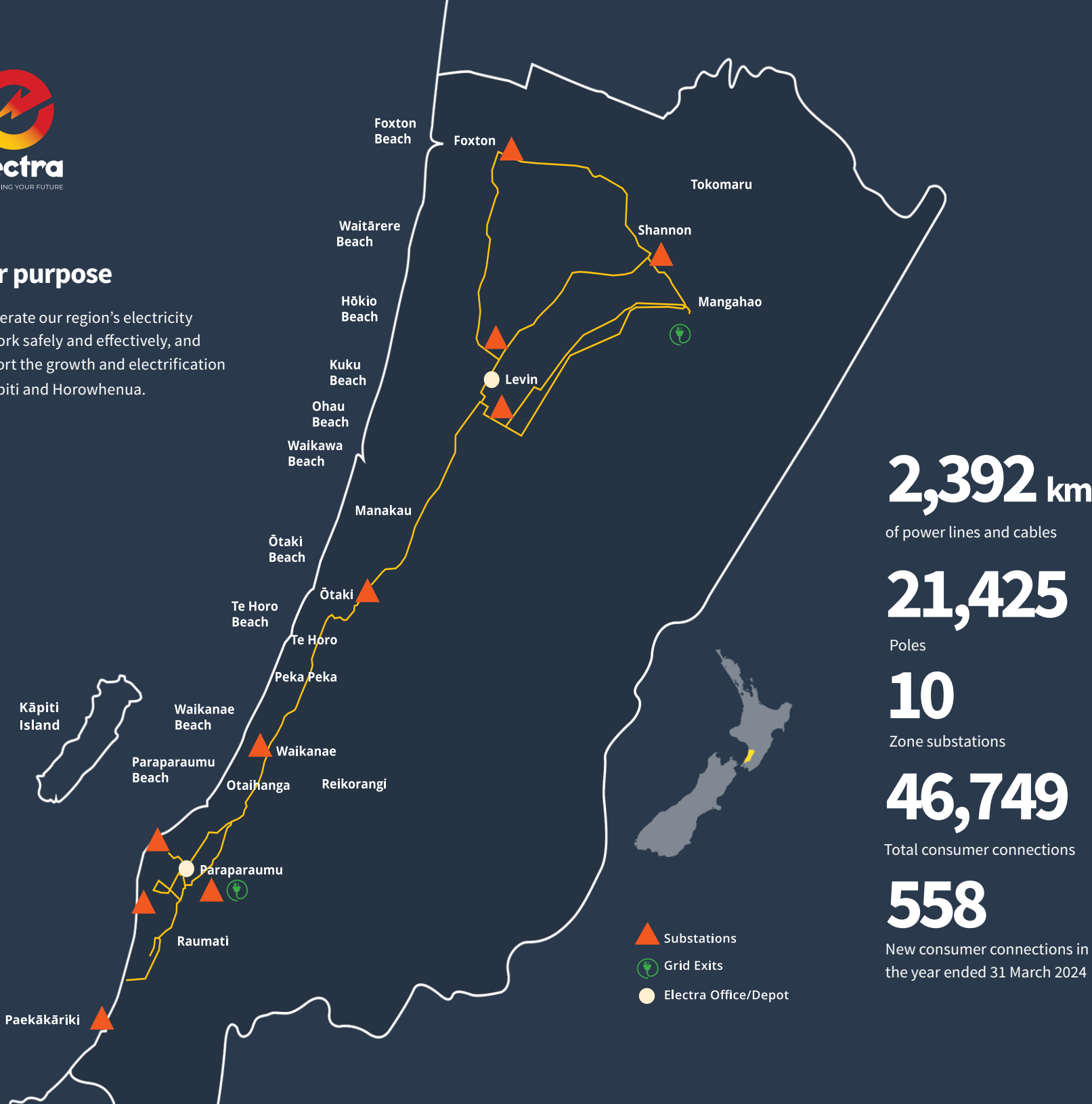
Geoff Douch (Chief Executive)
and Steve Armstrong (Chair)





Our purpose

To operate our region's electricity network safely and effectively, and support the growth and electrification of Kāpiti and Horowhenua.



Building a Resilient and Reliable Network

The resilience of our network is vital for the wellbeing of our region and its people, with the risks from earthquakes and climate change two of the large focus areas for our network planning and development process.

Electra maintains an Asset Management Plan that sets out the program of work on the network each year. This covers maintenance, upgrades or replacements, and expansion or enhancement of network equipment. This plan also defines how new technologies will be introduced and deployed to ensure the network remains efficient and reliable.

An example of a multi-year work programme set out in the plan has been the upgrade of five of the ten substations, bringing them up to the required New Building Standard (NBS) regulation for essential services to improve the resilience to a major seismic event.

Some other projects undertaken within the Asset Management Plan in the last year included:

LEVIN WEST CABLE CAPACITY INCREASE

Total project cost: \$510k

This project replaced three smaller 1980s aged cables to increase network capacity by over 3MVA in order to supply new and existing customers.

Three modern XLPE cables were installed, significantly increasing the capacity of each circuit.

The project involved 1,000 hours of labour, 500m of trench and 1.2km of ducting.



PAEKĀKĀRIKI 11kV SWITCHGEAR REPLACEMENT

Total project cost: \$490k

Taking two years from design to completion, this project had to balance keeping the lights on during the physical equipment replacement of the oldest 11kV switchgear along with the last remaining oil circuit breakers in the Electra network.

The new switchgear is fast operating, safe and reliable, with arc flash protection and arc blast venting, creating a significantly safer operating environment for the Electra team and higher reliability for customers with increased functionality.



11kV OVERHEAD LINE RECONDUCTORING PROGRAMME

Total programme cost: \$1.4m

Every year, Electra replaces approximately 10-20kms of 11kV overhead conductors. An inspection programme, combined with criticality analysis informs the company’s decision making of which power lines need to be replaced.

This year, one of the larger projects was to replace the overhead lines, poles, cross-arms, pitchfilled potends and drop-out fuses on Tiro Tiro Road and Mako Mako Road in Levin.

This 11kV feeder serves 1,200 customers and the works were operationally complex, ensuring worker and public safety while minimising disruption to connected customers and road users.

The project involved 34 staff and 1,400 hours of labour.



Stu Cappie (Live Line Leading Hand)

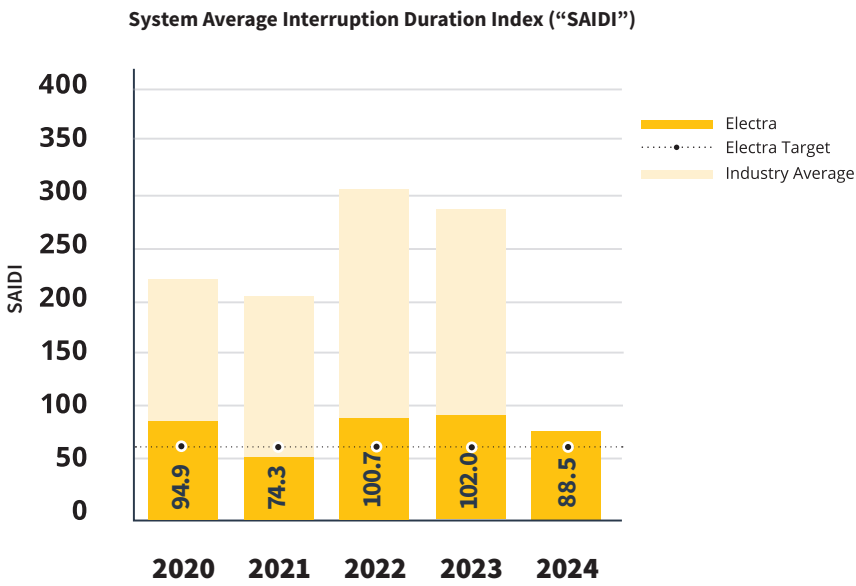
At the same time, we are working to minimise anticipated climate change impacts on our network from things like increasing wind speeds, high rainfall events and changes to water table levels.

Extreme weather-related events are becoming more frequent across our region. Both the Horowhenua and Kāpiti districts experienced such events over the last year, including a tornado in April 2023 and high wind events in July and September 2023, and February 2024. In total, weather events caused 45 unplanned outages throughout the year. Vegetation management plays an important role in Electra’s overall distribution operations, helping to ensure a safe and reliable electricity supply by proactively identifying and removing trees that pose a risk to the network.

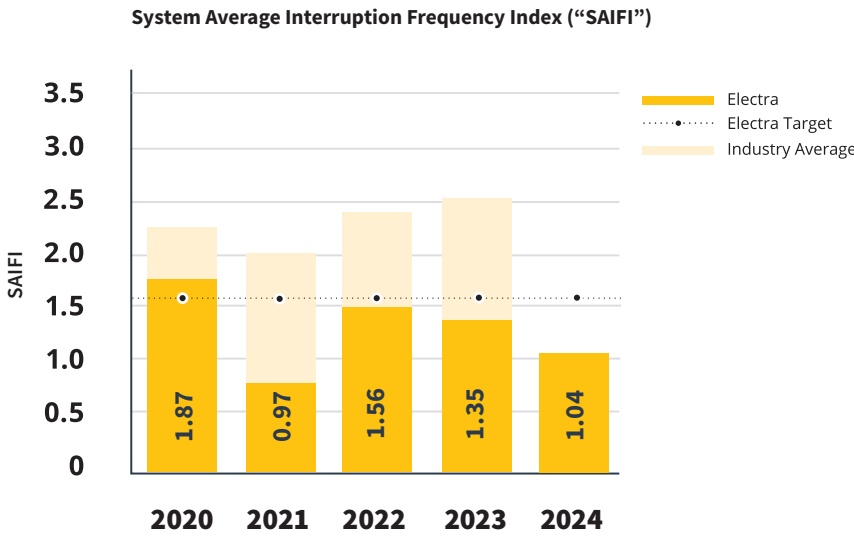
Over the last year to 31 March 2024, Electra’s vegetation management team completed **139 tree trimming jobs** and identified **300 trees** that posed a risk to the network, working with property owners to reduce the minimise these risks.

How did our network perform?

Electra’s network performance is very good when compared to similar electricity distribution businesses, meaning our customers experienced higher reliability than similar provincial networks. The below charts show how our network performed relative to the overall electricity networks of New Zealand.



The average outage duration (in minutes) per consumer per year. The lower the number, the better the reliability performance (industry averages and Electra targets are shown for comparison).



The average number of interruptions that a consumer would experience over the course of a year. The lower the number, the better the reliability performance (industry averages and Electra targets are shown for comparison).



Investing in our people

At Electra, we have an ongoing commitment to our people – keeping them safe, supporting their development and simply being a good employer.

Comprehensive health, safety and wellbeing programmes make sure our people go home safe and well each night. We are committed to improving safety performance, with a target of increasing preventive and proactive actions by 5%+ per annum. The business has exceeded this target every year for the last three years, again placing Electra at the upper end of its industry peer group.

During the year, we welcomed 26 new people into Electra, including six trainees into apprenticeship programmes, and one graduate electrical engineer in our Network team. Following the sale of the SECURELY business, we will bring the customer care team back in-house in the coming year.

\$600,000

Was invested in training and development across Electra, including upskilling and cross skilling.

13

Electra employees achieved national qualifications.

121

Electra employees (as at 31 March 2024)

43

the average age of an Electra employee (as at 31 March 2024)

7 Yrs

the average employment tenure of an Electra employee (as at 31 March 2024)

16%

(5) of roles filled internally

84%

(26) of roles filled externally



We continue to work on increasing our workforce diversity and providing employment opportunities for our local community. With a large work program looming, we need to grow our team and have recently undertaken a trainee recruitment drive for six more people to join our field teams. If you or you know someone interested in joining our exciting industry, living and working locally, and wanting to grow with our business, visit the website below to view our current vacancies: www.electra.co.nz/careers

Supporting New Zealand’s decarbonisation targets

Decarbonisation is the term given to the move away from fossil fuels such as coal, gas and oil that produce carbon dioxide and other greenhouse gases, to help stem the advance of climate change.

New Zealand is committed to decarbonisation and electricity will play a critical role by giving Kiwis a cleaner way to fuel their transport, process heat and water and space heating needs. The opportunities from decarbonisation for the electricity industry, including Electra, are massive.

Consumer uptake of electric vehicles (EVs), and solar and domestic battery storage is accelerating, indicating a growing public appetite for the transition to a carbon zero future.

The size of this challenge, and the opportunities it presents, will require substantial investment by electricity distribution companies, like Electra, to ensure networks can meet the significant expected increase in electricity demand over the coming decade and beyond.

Enhancing and extending our existing network through the work plans set out in our Asset Management Plan, will mean Electra can deliver a network that meets the expected increases in electricity consumption and peak demand over the next decade.

Type of influence on the network	Year Ended 31 March 2024	2034 Forecast
Total amount of electricity used by our consumers each year	428 GWh	524 GWh
Maximum amount of electricity used by our consumers at any given time over the year	111 MW	132 – 166 MW
Total number of customer connections on our network	46,749	54,700
Number of homes and businesses generating and storing their own electricity, using technologies such as solar panels and batteries	1,538	5,300
Total generation capacity of our customers who have installed technologies such as solar panels	6.9 MW	26.5 MW
Total number of electric vehicles (EVs) in our region	1,840	23,400
Total amount of electricity used to charge EVs on our network each year	489 MWh	63,200 MWh

Making sustainable choices for the long term

As a business, Electra is committed to reducing the human impact on climate change. Adopting sustainable business practices can materially impact this. A key part of our business strategy is to help provide consumers with more sustainable energy choices, and that means walking the talk and setting an example in our own business.

Specific initiatives completed within the business in this past year include:

- e-waste recycling: we have partnered with Recycling for Charity to responsibly and securely dispose of our IT equipment, either by refurbishment or recycling. We have also begun a battery recycling initiative in our offices.
- recycling: we have implemented a comprehensive recycling programme across the business, including cardboard, plastics (1,2 and 5), glass, aluminium and steel cans. We are also recycling the soft plastic packaging that our office supplies and equipment are wrapped in.
- solar PV: in 2023 we installed additional solar panels at our Levin office to generate around 27% of the building’s electricity needs
- fleet electrification: Ten percent of our vehicle fleet is now electric and we have installed seventeen EV chargers at our offices and zone substations to ensure they are topped up while our staff are on location.

We’re proud to say Electra has achieved Toitū certification from Toitū Envirocare, a New Zealand Crown entity, meaning we have a confirmed for our baseline of our carbon emissions and are now actively working on an emissions and waste reduction programme to move us towards the Government 2050 reduction target for greenhouse gas emissions.



All over our network are small ‘pillar boxes’ that protect our network equipment and keep people safe. We have partnered with GYRO Plastics to recycle our old pillar boxes by granulating them into powder to make new boxes.



There are now 26 public EV chargers available across the Electra network. Over the last year, these chargers have supported more than 3 million kilometres of EV charging.

