

**Minutes of the Annual Public Reporting Meeting of the
Marlborough Electric Power Trust
Held at 9.30 am on the 8th October 2014
In the St John's Rooms, Seymour St**

Present: John Cuddon, Paul Ham, Ross Inder, Ian Martella and Malcolm Aitken

In attendance: Brenda Munro (Trust Secretary), Michelle Alexander (Minute Secretary)
Marlborough Lines Ltd representatives: Ken Forrest, David Dew, Kelvin Deaker, Rebecca Clifton, Matthew James
Members of the Public: Andrew Munro, Geoff Hoare, Robyn Cuddon, Brendon Burns, Graham Stuart, Alice Stone, Sue Thomas, Sharyn McKeown, Annette Hampton

R Inder opened the meeting and detailed the purpose of the meeting, then introduced the trustees, trust secretaries and company representatives present

Apologies: Clive Ballett

I Martella/P Ham

Appointment of Auditor

Nominations were called for the position of auditor. Angela Wood was the only nomination.

Moved:

That the firm of Angela Wood Chartered Accountants be reappointed to act until the next AGM.

J Cuddon/I Martella

Chairman's Report

R Inder commented that current issues, such as Otagonet, fall outside of the matters for this meeting. Matters during the 2014 year included Trust Deed review, that included changes to clauses related to the ownership review which was described by the Chairman as an onerous and expensive exercise. The changes take the review from one required every 5 years to one on the request of 10% of the consumers. Sponsorship was reviewed to ensure separation between the Company and the Trust on decisions regarding donations and sponsorship. There were no questions to his report as tabled.

***Moved:** That the chairman's report be adopted.*

R Inder/ M Aitken

Minutes of the Annual Public Meeting dated 6th December 2013

Moved:

That the minutes be approved as a true and accurate record.

J Cuddon/M Aitken

ETNZ Executive

R Inder spoke of his position on the executive board of the Energy Trusts of New Zealand. Issues for the period included and a general concern that Auckland held too much sway. He was pleased to report that attitudes have improved and things are moving in the right direction, a new executive office has been appointed (Alan Jenkin) and this too is expected to be a constructive move.

Marlborough Lines Presentation

K Forrest gave a visual and verbal presentation, going over some major points contained in the company annual financial accounts to 31 March 2014.

Capital maintenance expenditure was up and people will recall the significant storms and earthquakes that rocked the area, leading to such a rise in cost. The network is in a good state of repair, with continued investment to meet increased reliability overall in the network. The average rebate to customers was \$221, plus the \$50 from the trust, so in total was \$271.00.

Issues going forward – regulatory constraints (reporting), retention of personnel, improving reliability of the network, investment of proceeds from Otagonet.

On a question from Brendan Burns Ken Forrest commented on the impact of Peak Electricity needs pricing is now spread across a number of networks in the top of the south, as a result Marlborough's peak in April (due to grape harvest) is softened by the lower needs of the other networks at this time, limiting the price of such peak loading to Marlborough.

R Inder thanked K Forrest for the excellent quality of his presentation and commented on the value of the emphasis on reliability of supply to all users.

Annual Accounts

B Munro, Trust Secretary, presented the Consolidated Financial Accounts to the year ended 31 March 2014 and parent accounts to the same date.

Moved:

That the annual financial reports be accepted.

R Inder/I Martella

Question was received from B Burns in regard to the size and timing of the distribution to the Civic Theatre Trust and the intention of the Trust with regard to the 'windfall' from the Otagonet investment. R Inder spoke to these questions. Trust intent is to preserve the value of the Trust Capital (as required by the Deed) . Trustees support the directors in their holding the funds for a period of time to undertake a considered look as to the investment strategy going forward and confirm the importance of continuing to grow the company.

General Business

R Inder thanked L McKendry, retired trustee, for his many years of valued service as a trustee.

There were no further matters of general business and the meeting closed at 10.20 am.