

# Central Hawke's Bay Consumer Power Trust

Annual Public Meeting held:  
3:00pm, Tuesday 28<sup>th</sup> July 2020  
at the Waipukurau Club, 10 Russell Street, Waipukurau

## MINUTES OF MEETING

### **1: PRESENT:**

#### **CHB Consumer Power Trust:**

Alistair Setter (Chairman), Karen Middelberg (Elected Trustee), Libby Tosswill (Seconded Trustee), Callum Gray (Appointed Trustee, representing Silver Fern Farms), George Williams (Appointed Trustee, representing Central Hawke's Bay District Council), Vicki Winlove (Executive Assistant)

#### **Centralines (Board of Directors):**

Jon Nichols (Chairman of the Board), Wendie Harvey, Dr Ian Walker, Derek Walker, Fenton Wilson,

#### **Centralines:**

Ken Sutherland (CEO), Len Gould (General Manager, Commercial), Manton Collings (Unison Group Accountant), Wayne Withey (Acting Operations Manager), Brent Muggerridge (Company Accountant), Julie Collins (Executive Assistant)

#### **Public:**

Kelly Annand, James Burne, Hamish Carter, Emily Close, Monique Davidson, Tim Gilbertson, Steffan Hepburn, Graham Kohleis, James Parker, Josh Ross, Brian Setter, Lorraine Setter, Ken Taylor, John Te Amo

### **2: APOLOGIES:**

Marcus Peacock (Elected Trustee), Catie Avery (Appointed Trustee, Mayoral representative), Her Worship the Mayor, Alex Walker, Rachel Baker (Board Observer), Stuart Smith, Kate Taylor, Audit NZ Representative

### **3: MINUTES OF PREVIOUS MEETING (MONDAY 29<sup>th</sup> JULY 2019):**

It was resolved the Minutes of the Central Hawke's Bay Consumer Power Trust Annual Public Meeting held on Monday 29<sup>th</sup> July 2019, a copy having been circulated prior to the meeting, were taken as read and accepted as a true and accurate record.

*K Annand / All in favour  
CARRIED*

### **4: MATTERS ARISING:**

There were no matters arising.

**5: CONSOLIDATED FINANCIAL STATEMENTS (YEAR ENDED 31 MARCH 2020):**

It was resolved the audited consolidated Centralines and Central Hawke's Bay Consumer Power Trust Financial Statements for the Year Ended 31 March 2020 were accepted as correct.

*K Middelberg / All in favour*  
**CARRIED**

**6: APPOINTMENT OF AUDITOR:**

The Chairperson moved the resolution not to appoint an auditor for the 2020-21 financial year and to request the Office of the Auditor General to make an auditor appointment on the Trust's behalf.

*G Williams / All in favour*  
**CARRIED**

**7: TRUSTEES REMUNERATION:**

The Board moved the resolution for the Trustees Remuneration for the 2020-21 financial year remain the same as the 2019-20 financial year.

*I Walker / All in favour*  
**CARRIED**

**8: CHAIRPERSON'S REPORT:**

Trust Chairman Alistair Setter welcomed attendees to the 2020 Annual Public Meeting of the Central Hawke's Bay Consumer Power Trust.

Alistair acknowledged existing Trustees Marcus Peacock, George Williams and Catie Avery for their continued contribution to the Trust and welcomed new Trustees Libby Tosswill and Callum Gray to the Trust following the retirement of Kate Taylor and Richard Dakins. Alistair then thanked Kate and Richard for their contribution to the Trust.

Centralines achieved a strong financial result for the 2019/20 financial year with a net profit (after tax and after discount) of \$3.8 million. This is another year of growth for the company in terms of revenue and profit. Alistair then thanked the staff for their work at the coalface, operating an efficient and therefore profitable network valued at over \$300 million dollars (replacement). He then thanked both management and the Unison team for all the work they have done this year, within their KPI's and regulatory framework. Alistair then thanked the Board of Directors and acknowledged the reappointment of Fenton Wilson for a further two year terms. Alistair also announced the upcoming retirement of both Jon Nichols and Wendie Harvey from the Board having both joined the Board at Eastland.

Alistair then discussed the Trust's optimism for the future of Centralines through the overall growth, vibrancy and wellbeing of the Central Hawke's Bay district and community – all of which directly contribute to the growth of the company. Alistair then discussed the future of the electrical industry noting the importance of developing new technologies such as two way solar generation and how Centralines needs to be in a strong position to be able to develop and offer these future services here in Central Hawke's Bay for the benefit of consumers (like the JV with Napier Airport Solar Farm). However, with opportunity comes threat and an ongoing threat to the industry is regulation. Alistair discussed how the current regulation is a one size fits all model which favours the larger networks and creates inefficiencies, cost and complexity for smaller networks such as Centralines.

Following another year of excellent growth, Alistair announced a \$400 dividend will be paid to every ICP in the Centralines network on the 4<sup>th</sup> September 2020. This follows the \$905 dividend paid to consumers in 2018. Alistair acknowledged that 2020 had been a tough year for many in Central Hawke's Bay following Covid and the drought and the Trustees were keen for consumers to share in the success of

the company through a dividend payment. The annual power rebate was also paid early and in full. Centralines also contributed \$158,000 to 65 local community groups throughout the year.

**9: GENERAL BUSINESS:**

Mr Tim Gilberston took to the floor on behalf of the Water Holdings (CHB) group of which he is a director and shareholder of, to gauge whether the Trust/Centralines would be interested in supporting Water Holdings (CHB) by way of contributing towards the annual \$50,000 science charge from the Hawke's Bay Regional Council for holding the water extraction consents. Alistair replied that while the Trust, in principal, is supportive of water storage in Central Hawke's Bay, the Trust will not get involved in Company operational matters and would defer such decisions to the Board to investigate fully. Jon Nicholls, Board Chairman, replied that Centralines have previously gone out on a significant limb for the dam project, and to consider further investment into water storage, a solid commercially viable business case would need to be presented to the Board for their consideration. Jon agreed to meet Tim on a one to one basis to discuss further. Furthermore, Alistair discussed his own involvement with the Tukituki Leaders Forum, as led by the HB Regional Council, and the role they play in investigating sustainable water storage options in Central Hawke's Bay.

No further general business.

**MEETING CLOSED: 3.31pm**

**SIGNED:**

\_\_\_\_\_  
Alistair Setter (Chairman)

\_\_\_\_\_  
Date