

HAWKE'S BAY POWER CONSUMERS' TRUST

PUBLIC MEETING - AGENDA

**East Pier Hotel
Wednesday 31 July 2024
at 2.00pm**

1. Welcome
2. Apologies
3. Minutes of Meeting held 26 July 2023
4. Matters arising from Minutes
5. Chairman's Report
6. Adoption of Consolidated Financial Statements of Trust and its Subsidiary for the year ended 31 March 2024
7. Appointment of Auditor and fix their remuneration
8. General Business

**MINUTES OF THE 2023 PUBLIC MEETING
OF THE HAWKE'S BAY POWER CONSUMERS' TRUST
HELD ON WEDNESDAY 26 JULY 2023 AT 3.00PM
AT THE HAWKES BAY ARTS & EVENTS CENTRE**

PRESENT: D Kirton (Chair), B Arnott, D Pearson, K Westwood, J Farnworth and S Dine (Secretary). The meeting was attended by Phil Hocquard, Dan Druzianic, Lucy Ellwood, Rob Wheater, Barbara Elliston, Directors of Unison Networks Limited, members of the Unison Senior Management Team together with 21 members of the public.

APOLOGIES: The following apologies were received:
Ken Gilligan and Blair O'Keefe.

MINUTES: The Minutes of the meeting held on 27 July 2022 were confirmed as a true and correct record.

D Druzianic/B Arnott

CHAIR'S REPORT:

D Kirton presented her Chair report on the activities of the Trust during the year, commenting on the distribution made to consumers during the year, the appointment of the two new Directors, Barbara Elliston and Blair O'Keefe, the retirement of Ken Sutherland and the appointment of Jaun Park as Chief Executive, the Energy Trusts of New Zealand conference, the upcoming ownership review and the impact of Cyclone Gabrielle and Unison's response to it. She advised that despite the Cyclone Unison had declared a dividend of \$15.8m for the 2022/2023 year and advised that Phil Hocquard and Dan Druzianic have retired by rotation with both being reappointed for a one year and three year term respectively. She then on behalf of the Trustees thanked Directors and management of the Company, her fellow Trustees and the Secretary for their input to the Trust's operations. She moved her report be adopted.

J Farnworth/D Pearson

FINANCIAL STATEMENTS:

S Dine then presented the Financial Statements for the Trust and the Consolidated Statements for the Trust and Unison Networks Limited with the Trust Financial Statements disclosing a profit of \$15.258m and the Consolidation Statements a net profit before tax of \$38.6m. Questions were asked around the timing of the completion of the Financial Statements and their availability, the movement of term deposits through the Cashflow Statement, and Trustees were asked to consider whether it would be appropriate to donate \$1m of the cash reserves to the Cyclone Relief Fund and whether consideration should be given towards amending the Trust

Deed to extend the reporting date by one month. After discussion the Financial Statements for the year ended 31 March 2023 as tabled were adopted.

D Pearson/B Arnott

APPOINTMENT OF AUDITOR:

D Kirton advised that it was the Trustees' recommendation that an Auditor not be appointed by the meeting in which case one will be appointed by the Auditor General. This was so resolved.

D Pearson/K Westwood

GENERAL BUSINESS:

Unison Chairman P Hocquard then spoke to the performance of the Company during the 2023 year. He spoke of a challenging year with the lingering effects of the pandemic and the impact of Cyclone Gabrielle. With Unison's focus on building a more resilient network after the damage that had been caused. He spoke of the financial performance noting that despite the challenges the Group earnings before interest and tax was \$53.7m up \$4.6m on the previous year. He spoke of the network performance and the impact of the weather events accounting for the exceedance of the regulatory targets. He also spoke to the initiatives around the Company's health, safety and wellbeing policies. He recognised outgoing Chief Executive Ken Sutherland's contribution to the Company and Juan Park's appointment as the new Chief Executive.

Questions were then taken from the floor with discussion around the level of dividend being less than 50% of net profits after tax to which P Hocquard noted that this would be similar with other lines companies due to the amount of capital needed to be retained and debt servicing requirements. Discussion was held around the Company's insurance and the resilience of the network in the severe weather event, research on climate change and EIT training courses. The programme of undergrounding overhead power lines was also discussed with this continuing on a regular basis. Trustees were questioned as to the legitimacy of the public consultation process amending the Trust Deed to extend the election date one year. After a recent consumer enquiry a legal opinion was sought which confirmed the correctness of the process and the validity of the amendment. Discussion was also held on the network rebuild with Commerce Commission limits with advice being given the next reset is in the 2025/2026 year when significant rebuild costs should be recovered. Discussion was also held on the process of approving Directors, the possibility of dividend information being provided to the Inland Revenue Department, the ownership structure allowing capital raising, the ownership review and a greater use of both the website and social media. Trustees would consider these issues raised at subsequent Trustee meetings.

There being no further business the meeting concluded at 4.51pm.

Minutes were confirmed day of 2023

Chairman