

## Minutes of the Fifteenth Annual Meeting of Beneficiaries

<b>Held at</b>	The Ellerslie Event Centre, 80-100 Ascot Avenue, Remuera, Auckland
<b>Date &amp; Time</b>	Thursday, 27 October 2016 at 7.00 pm
<b>Present</b>	William Cairns (Chairman), James Carmichael, Paul Hutchison and Karen Sherry  24 Beneficiaries registered their attendance
<b>Staff in attendance</b>	Helen Keir (Operations Executive) and Kaylene Taylor (Executive Assistant)
<b>Apologies</b>	Michael Buczkowski (Deputy Chairman)

### Apologies

Apologies were received and noted.

Entrust Chairman, Mr Cairns, opened the meeting at 7.00 pm and introduced Trustees and passed on apologies from Entrust Deputy Chairman, Mr Michael Buczkowski who was travelling internationally on business and unable to attend the meeting.

Mr Cairns extended a warm welcome to all Entrust beneficiaries, Michael Stiasny, Vector Chairman; other Vector Directors; Simon Mackenzie, CEO of Vector; members of the Vector Executive Team, Entrust's accountants, auditors and legal advisors.

### Minutes

The minutes of the Fourteenth Annual Meeting of Beneficiaries held on 29 October 2015 and confirmed by the Trustees on 3 February 2016, were tabled and received.

### Year in Review – address from the Chairman

The Chairman noted that it had been a busy year with lots of developments, including Trustees making a decision to change the name of the organisation from Auckland Energy Consumer Trust to Entrust.

Beneficiary numbers increased again during the year – from 319,500 in 2015 to 322,800. Despite an increase in beneficiary numbers, Trustees were pleased to be able to keep the dividend payment amount steady at \$345 this year. However, given continuous increases in Auckland's population in recent years, and with a predicted Installation Control Point (ICP) growth of 1.5% next year, there will be pressure on dividend distribution amounts going forward.

An Unqualified Audit Certificate was issued on 27 September 2016.

Key priorities the Trustees had focused on during the year were ongoing Trustee responsibilities, regulation (particularly transmission pricing), undergrounding, Future of Energy solar and electricity vehicle charging stations, and beneficiary communication.

## **Regulation**

Regulation continues to be a key issue for Vector and therefore for Entrust which continues to proactively monitor regulatory issues and participate in relevant regulatory consultation processes by making submissions.

Over the past year, Trustees actively challenged the Electricity Authority proposal on transmission pricing which would result in Aucklanders paying an extra \$78 million a year in transmission grid charges, while electricity generators such as Meridian and Contact, and the owners of Tiwai Smelter would financially benefit by \$94 million each year.

Entrust made strong representations to the Electricity Authority about these issues and expressed concern that their proposals would have an adverse impact on Auckland families, the elderly and small business owners.

In addition to formally submitting to the Electricity Authority, a number of communication initiatives were issued by the Trustees to bring this to the attention of those impacted - our beneficiaries. The highest profile of these initiatives was the development of a hip-hop video made in collaboration with Waiheke Island group, "Hip-operation" which was loaded onto Facebook and was viewed by more than 275,000 people.

## **Undergrounding**

The Chairman noted that as majority owner of Vector, Entrust has an agreement that commits Vector to spend a significant sum every year on projects in the Entrust district. The fund has historically been used for undergrounding projects in the Entrust district and last year was extended to include new technology such as solar and battery.

The big focus during this financial year was on completing the large undergrounding project in Pakuranga, which commenced in January 2015 and was completed by December 2015.

In addition to the large scale undergrounding project in Pakuranga, several smaller projects comprising of three small scale undergrounding projects in Wharua Road in Remuera, Mt St John in Epsom, and Costley Street in Freemans Bay, were completed, some of which were partially funded by residents.

## **Future of Energy solar**

Winners of the 'Future of Energy' competition, which was launched in 2015 in partnership with Vector, had their Vector solar system featuring a Tesla Powerwall battery installed during the year.

Additionally, the Trust has also supported Vector as they roll-out electric vehicle charging infrastructure in the Entrust district.

*Mr Cairns introduced Andre Botha and Andrew Fraser from Vector.*

Andre Botha, Vector's Chief Networks Officer for Network Services, provided an overview about undergrounding and also the recent Glen Innes Substation battery installation.

Andrew Fraser, Vector's Group Manager Key Projects, presented briefly on the Future of Energy solar and battery implementation, and the installation of electric vehicle charging stations.

### **Entrust Communications**

A new Facebook channel was launched this year to communicate with beneficiaries. The new Facebook page has been successful in reaching a younger, more mobile audience who are the next generation of beneficiaries.

### **Acknowledgments**

The Chairman acknowledged the work done by Executive Officer Ian Ward and Secretary Joy Stevens in the past year. Both Ian and Joy left Entrust in the second half of this year. Helen Keir has been appointed as our Operations Executive going forward and is supported by Kaylene Taylor on an interim basis.

### **APPOINTMENT OF AUDITORS**

**As recommended by the Trustees, it was**

**Moved:** Daniel Barnes

**Seconded:** Warren Kyd

**That Grant Thornton is re-appointed auditors of Entrust for the ensuing year.**

**Carried**

### **FIXING OF THE REMUNERATION OF THE AUDITOR**

**Moved:** Warren Kyd

**Seconded:** Daniel Barnes

**That, in accordance with Section 101(3) of the Electricity Industry Act 2010, the Trustees be authorised to fix the fees and expenses of the auditors for the ensuing year.**

**Carried**

### **Forum**

The Chairman opened the meeting to questions from the floor. The following were noted:

#### **Question 1:**

What was the date of the changeover from Auckland Energy Consumer Trust to Entrust?

Trustees advised that a decision was made by the Trust at the Ordinary Meeting of the Trustees on Thursday 12 May 2016, by a unanimous decision.

#### **Question 2:**

A beneficiary noted their disappointment that the undergrounding fund was being used for solar and battery installations and asked why this had occurred.

Trustees explained that undergrounding was still a priority but there were challenges getting Chorus to support new undergrounding projects and without their support streets would be left with poles carrying telephone cables, even if the power lines were underground. Funds that were not spent on undergrounding were being used on new technology initiatives such as the Future of Energy solar and battery competition and installation of electric vehicle chargers in the Entrust district.

#### **Question 3:**

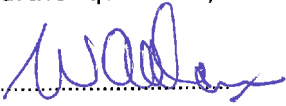
A beneficiary asked if Trustees could pay a dividend to a friend who had not banked his dividend cheque within the two-year expiry date.

Trustees advised they must comply with the Trust Deed which states that any dividend not claimed after two years reverts back to the Trust.

**Question 4:**

A beneficiary asked how much it cost to change the name of the Trust. Trustees advised the name change cost was \$67K which is about 20c per beneficiary.

There being no further questions, the meeting closed at 7.40 pm.

Confirmed: ..... 

Date: 19/12/17 .....