

Most of us use electricity every day to make our lives easier and more comfortable. In New Zealand, around 80% of our electricity generation comes from renewable sources like sun, wind and water. It's the bit in between boiling a kettle and the generation of electricity that involves us.



We are your local electricity lines company, responsible for delivering and maintaining a safe, secure and reliable power supply to the North Canterbury and Kaikoura region. Simply put, we look after the 'poles and wires' that deliver electricity to our region's homes, businesses, schools and communities. Maintaining the electricity distribution network brings with it other responsibilities, like restoring power as safely and quickly as possible following an outage. We also help connect new customers to the network including those with new technology like solar photovoltaics (PV). Ensuring a reliable power supply



means we also monitor vegetation in the region, making sure there is a safe clearance between trees and power lines. Our in-house capability means we can also offer a complete design service for clients such as developers, consultants, surveyors and property owners. Plus, we're committed to keeping our people and community safe around electricity. Managing our network of 4,996 kilometres of overhead lines and underground cables as well as associated electricity infrastructure is a team of dedicated staff who do an all-round great job for our local communities.



## CHIEF EXECUTIVE'S MESSAGE

The past 12 months have been a period of significant change for our organisation as we prepare the business to respond to the game-changing potential of emerging technologies that give our customers greater choice on how they produce, store and consume electricity. The opportunity and impact on our core business as an electricity distributor is an ongoing focus. Our intention is for MainPower to be a leader of this energy transformation, by planning for change, ensuring we have the right capability within our business, prioritising innovation and building solid relationships with our customers. Our challenge is how we can continue to provide our customers with solutions by adopting new energy supply technology. From battery storage through to electric vehicles, solar PV and energy management systems – it is all about greater choice for our customers. You may remember from last year's Annual Review that I spoke of the importance of meeting the expectations of our customers and the work required to achieve this. Changing the mindset of an organisation that has been very much engineering driven is no easy task.

### "Our future is one where customers are at the centre of our business"

Our future is one where customers are at the centre of our business. This requires organisational change which is ongoing, as we continue to work on developing our customer vision and align our organisation with the opportunities that are ahead. Our starting point is developing a greater understanding of who our customers are and what their needs and expectations are - reconnecting with our customers, community and stakeholders.

Creating enduring relationships starts by listening. You will no doubt start hearing more from us as we increase our engagement efforts and meaningfully use feedback to inform our decisions. It's all about working collaboratively with our community, with our objectives aligned. We are also working hard on improving our internal processes, with the customer or end-user in mind. We need to remove the pain points that our customers are experiencing in their interactions with us. To help achieve this, we are exploring technology currently available to improve our communication channels and make better use of customer data to provide greater value.

### "Our role as an essential service provider will always be our core focus"

Our role as an essential service provider will always be our core focus. Our customers can have peace of mind that delivering a safe, secure and reliable supply of electricity to our region is a fundamental requirement of our business, to which we remain firmly committed. Our people are key to achieving this and we are enormously proud of their efforts over the past year, especially as our region continues to experience unplanned outages. These events are mostly driven by the vagaries of the weather and are of continual frustration to our customers. Over the past four years, MainPower has completed a major upgrade project to expand the capacity, security and reliability of an ageing network. Completed in 2015, the Waimakariri West project is a forward thinking solution that balances innovation, customer need and our responsibility for fair pricing, commensurate with our service levels.

We sincerely appreciate the patience of the local community while this upgrade project was underway. Restoring power promptly or avoiding the inconvenience of planned outages by working on the live network is important; however safety continues to be our number one priority. Driving behavioural change within the organisation to deliver safer outcomes has been a big piece of work for MainPower. It signals a new way of thinking about health and safety that is not centred on compliance but about getting people engaged in workplace safety to ensure they go home healthy and safe. This has to be led from the top with strong leadership providing inspiration through showing commitment and direction. We have spent a lot of time and resource over the past 12 months working with employees to define our workplace culture, to ensure we continue to provide a safe workplace. Our outlook for the year ahead remains positive. In addition to improving customer service outcomes and adapting to new technology trends, we are driving improvements within the organisation around efficiency and reducing operating costs. Our continued focus is to provide value to our customers and sustainable returns to our community. My thanks to the MainPower team who continue to show commitment and passion for the business and our local community. We are all excited about the future. We are thinking ahead and look forward to introducing you to the MainPower of tomorrow.



## Notice of Annual Meeting

The Annual Meeting of shareholders of MainPower New Zealand Limited will be held at MainPower head office, 172 Fernside Road, Rangiora on Tuesday 30 August 2016 commencing at 5.30pm. An invitation is extended to all North Canterbury and Kaikoura residents to attend.

### Agenda

- Apologies
- To receive the Directors' Report and Financial Statements for the year ended 31 March 2016 and the Report of the Auditor thereon.
- Pursuant to the Constitution, the Directors have resolved that no dividend will be payable.
- Election of Directors
  - Mr G.D. Abbot was appointed to the Board as a casual vacancy on 1 August 2016. MainPower's Constitution provides that a Director so appointed shall only hold office until the next Annual Meeting. Mr Abbot, being eligible, offers himself for re-election.
  - Mr J.Fredrick was appointed to the Board as a casual vacancy on 1 August 2016. MainPower's Constitution provides that a Director so appointed shall only hold office until the next Annual Meeting. Ms Fredrick, being eligible, offers herself for re-election.
  - Mr A.C. King was appointed to the Board as a casual vacancy on 1 August 2016. MainPower's Constitution provides that a Director so appointed shall only hold office until the next Annual Meeting. Mr King, being eligible, offers himself for re-election.
  - Pursuant to the Constitution to elect one Director on the retirement by rotation of Mr W.G. Cox. Mr Cox, being eligible, offers himself for re-election.
  - Pursuant to the Constitution to elect one Director on the retirement by rotation of Mrs J.A. Hoban. Mrs Hoban, being eligible, offers herself for re-election.
- To consider the Directors' recommendation that the total Non-Executive Directors' remuneration for MainPower New Zealand Ltd and its subsidiary companies for the 2016-2017 financial year to increase to a maximum of \$375,000 excluding Goods and Services Tax to allow for the appointment of three additional Directors.
- To appoint Deloitte as Auditor in accordance with section 196(1) of the Companies Act 1993 and to authorise the Directors to fix the remuneration of the Auditor.
- To consider any general business which may be properly brought before the meeting.

### To find out more:

A copy of MainPower's 2016 Annual Report and Statement of Financial Accounts is available on our website. If you would like a copy posted to you, please call us on 03 311 8300 or email [info@mainpower.co.nz](mailto:info@mainpower.co.nz).



[www.mainpower.co.nz](http://www.mainpower.co.nz)

**Help us spend \$20k**

We have \$20,000 to give away and we're asking for your help by telling us which local community or neighbourhood groups you think need the money the most. To get involved, visit our website and let us know which three groups you think we should support. Voting closes 31 August 2016.

[www.mainpower.co.nz](http://www.mainpower.co.nz)



## Financial Highlights

**NET PROFIT**  
before tax and rebates

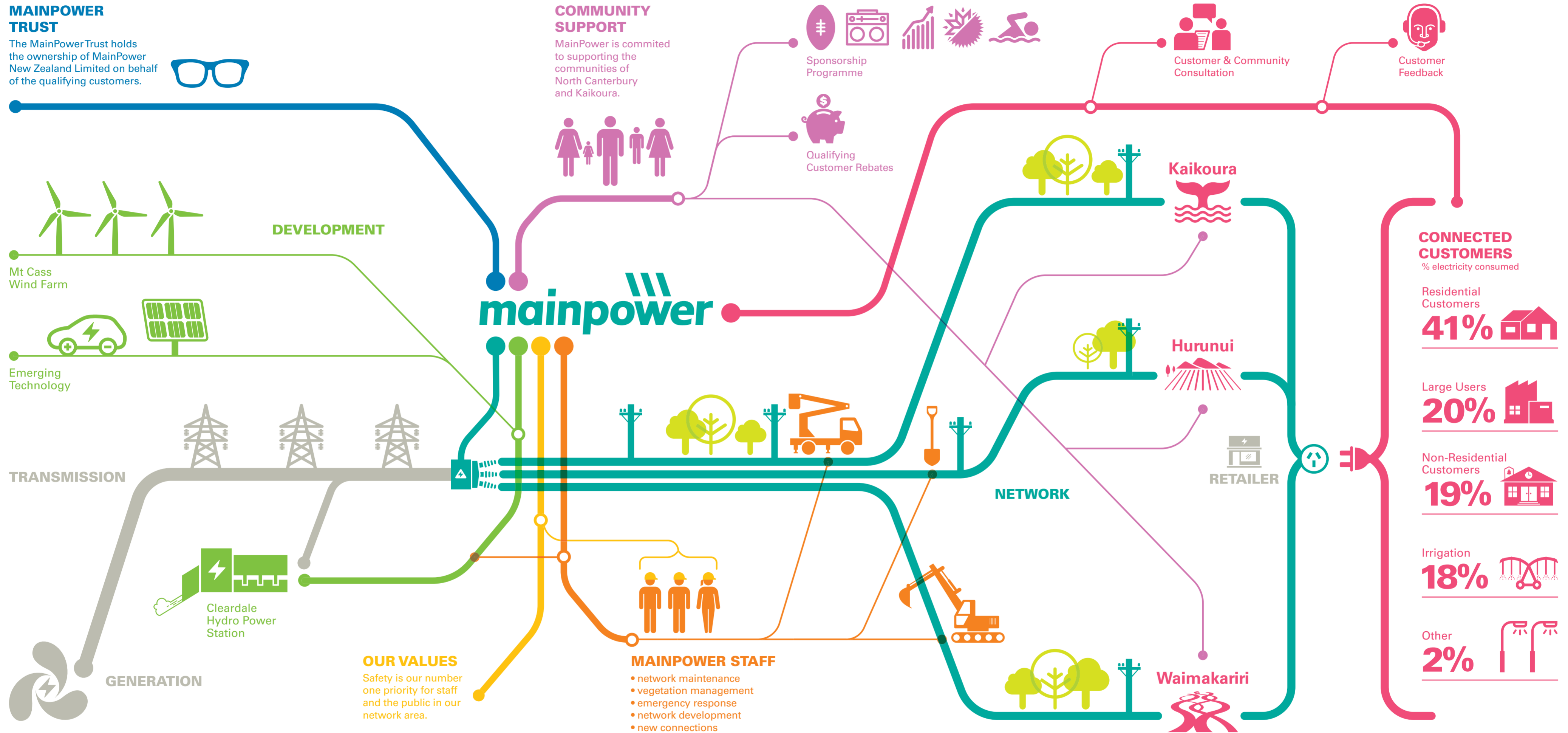


**NETWORK CAPITAL INVESTMENT**



# GETTING THE POWER TO YOU

Maintaining the electricity distribution network so that you have a safe, year round supply of electricity is a big job. There's a lot more going on in the background than you might expect. MainPower's ownership structure means our organisational goals need to benefit the Kaikoura, Hurunui and Waimakariri communities – from maintenance of the power lines through to profit distribution in the form of funding for community initiatives.



**THE NETWORK**  
**11,180** square kilometres

MainPower owns and operates \$287 million of distribution infrastructure including 4,996 kilometres of overhead lines and underground cables, serving a population of over 65,000 in the North Canterbury and Kaikoura region. Our electricity network spans approximately 11,180 square kilometres. We invest in the electricity network to ensure a safe, secure and reliable power supply is provided to the region, this includes making sure capacity for future growth is available as well as keeping pace with ageing assets.

**MAINPOWER TRUST**  
**7** Trustees

MainPower's ownership structure is designed to benefit the consumers of North Canterbury and Kaikoura. The MainPower Trust holds the ownership of MainPower New Zealand Limited on behalf of the qualifying customers. If your premises are connected to the MainPower electricity distribution network, you have become a qualifying customer\*. The Trust's seven Trustees appoint MainPower's Board of Directors, monitor the company's performance through its Statement of Corporate Intent and by regularly meeting with the Directors.

\*Excludes customers previously connected to the Kaipoi Electricity Network.

**DEVELOPMENT**  
**Energy Solutions**

MainPower's Cleardale Hydro Power Station located at Rakaia Gorge, celebrated its fifth birthday in 2015. Over the past five years the mini-hydro station has generated around 19 million kWh (kilowatt hours) of energy.

Our existing resource consent to develop a wind farm at Mt Cass is currently being maintained for potential future development.

We are also continuing to investigate opportunities to deliver smarter, more localised energy solutions for customers using emerging technologies.

**OUR VALUES**  
**Safety First**

During the year we have maintained and further improved our workplace and public safety management systems - safe outcomes from all our activities remains our first priority. We are working really hard to ensure that our people are empowered to participate in workplace health and safety, because employee engagement is integral to the continual improvement of our practices.

**MAINPOWER STAFF**  
**173** employees

Our people are our brand ambassadors, they are out on the front line representing the company and doing an all-round great job for the communities of North Canterbury and Kaikoura. That's because they not only work here but generally also live here. They probably live next door to you, their kids go to school with your kids, they play for the local footy club and maybe even get involved as a member of the volunteer fire brigade.

**CONNECTED CUSTOMERS**  
**38,389**

We're changing the way we do things at MainPower. Our vision is to deliver consistently good customer service by putting the customer at the centre of everything we do. Our focus has always been the delivery of a safe, secure and reliable power supply to the people of North Canterbury and Kaikoura but we realise we need to do more so we're adding 'great service' into the mix.

**COMMUNITY SUPPORT**  
**\$9.8** million

Every year we're giving back to our local community. During the year we credited \$9.8M in qualifying customer rebates as part of our profit distribution programme. In addition, \$446,839 in funding support went back into the community – from teaching our kids how to swim through to supporting environmental sustainability. While our community support sponsorship programme delivers value to the region, we think we can do even better. Our focus is to continue to look for ways that we can have an even greater impact on our local communities.