

## West Coast Electric Power Trust

### Chairman's Annual Report

August 2012

It is once again my pleasure to report on the past year of operation of the Trust, which holds the shares of Westpower Limited and the associated companies.

Trustees are elected by the Consumers of Westpower Limited for a four year term, retiring by rotation and being eligible for re-election.

Trustees appoint the Directors of Westpower Limited and represent the consumers' interest through a Statement of Corporate Intent.

The Directors have continued to guide the company through the increasingly complex business environment as new commercial ventures and a return to generation provide additional challenges.

Directors initiated a performance review by an independent group, based on a format suggested by the Institute of Directors. The report indicated a good overall performance, and noted the value of skills mix and succession planning for the future.

Trustees noted that the addition of Mr Tony Williams as a director fulfills the intent of the report's observations.

Consumers received a special discount of \$2 million in the year. This was twice the previous amount and reflects excellent company performance and confidence in the future.

On a very sad note I report the passing of Mr Frank Wall in December 2011. His role as Trustee over nearly 8 years, challenging and debating issues with the consumers' interests in mind is a loss to the Trust. Trustees resolved not to replace Frank immediately.

Our Deputy Chairman's wife Janet Robinson sadly passed away suddenly in March 2012. Janet was a staunch supporter of David and the Trust, and attended many Trust events.

Trustee elections were held in March 2012, with eight nominations for three positions reflecting the increasing profile of the Trust, and the consumers wishing to be included.

Mr. Dom O'Sullivan having served 20 years as Trustee, and 19 of those as Chairman retired from the trust in March 2012. His wisdom and guidance will be missed.

Mrs. Maureen Pugh and Mr. Kevin Brown were re-elected, and Mr. Greg Topp from Reefton was elected as replacement for long time Trustee Mr. Dom O'Sullivan.

As required by the Trust Deed, a five yearly Ownership Review was completed by PricewaterhouseCoopers. The review looks at the company's performance being Trust-owned, versus other ownership models operating throughout New Zealand.

The review found that *"The existing Trust structure has served Westpower well to date."* And *".. performance benchmarking indicates that Westpower is performing well relative to its Peers."*

Following the required public consultation the report was adopted by the Trust and a resolution passed to maintain the status quo regarding ownership.

In November 2011, ElectroNet Services Limited took over the financial and secretarial functions for the Trust. Mrs. Tricia Rands and Mr. Murray Bell the financials and Mrs. Suzanne Harvey as Executive Secretary. Trustees are very pleased with the outcome of this change.

The Statement of Corporate Intent was reviewed by Trustees and approved for the 2012 – 2015 period. Trustees have appreciated the Directors' active involvement in this document's evolution.

Finally, on behalf of Trustees I wish to thank the Directors, management and staff for all their work to achieve another year of great performance for the Group.

Trustees are available to meet with individuals and groups to explain our role and activities. Further information is also on our website [www.wcept.org.nz/](http://www.wcept.org.nz/)

Trustees are:

Chairman	Ian Hustwick
Deputy Chairman	David Robinson J.P.
Trustees	Maureen Pugh J.P.
	Kevin Brown Q.S.M
	Greg Topp

Ian Hustwick

Chairman WCEPT