

Chairman's Annual Report
August 2010

It is my pleasure to report on another year of satisfactory operation of the Trust, which holds all of the shares of Westpower Ltd. and the associated companies.

Trustees appoint the directors and monitor their performance. We also carefully examine the Company's Statement of Corporate Intent and suggest changes which we think are in the best interests of consumers.

The confirmation by the Commerce Commission that Westpower Ltd which is totally owned by consumers continues to be exempt from expensive monitoring was welcome.

Consumers who travel down the Grey Valley will have been able to observe the splendid job that our linemen are making with the extension of the 110kv line from Reefton to Dobson. When completed, this line which is being built on contract for Transpower Ltd., will give valuable added security of supply to all of our southern consumers.

It is pleasing to report, that the first stages are underway on the construction of the Amethyst Generation Scheme near HariHari. When completed, the Amethyst generator will produce a valuable 6mw of electricity. This move by the company into the generation side of the industry is welcomed by trustees. Hopefully, other opportunities may become available once again for Westpower to utilize the abundant water resources on this side of the Alps.

On behalf of consumers, I would like to congratulate Cheryl Riley on the completion of her well laid out and beautifully illustrated history of the electricity industry on the West Coast. The first public supply of electricity in the Southern Hemisphere was established in Reefton in 1886. Cheryl completed the massive task of documenting the fascinating history of the industry from that time up until the present. The book, sponsored by the Trust, was launched in October 2009 and has received very complimentary reviews. Copies of the Volume "Power to the People" are still available in most local book shops.

The subsidiary companies of Westpower; Electronet Limited, Mitton ElectroNet Ltd. and ElectroNet Transmission Ltd. are performing particularly well. Their activities in the contracting, engineering and transmission sphere both locally and in other parts of the country have contributed to a very satisfactory year for the group.

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Over the years, the Trust has frequently pointed out to the government that the promised competition in the industry, which according to theory should have brought unit prices of electricity down, has not been effective in our area. It is pleasing to note that over the past year several suppliers have solicited extra customers in our region. Consumers will be well advised to compare the supply packages being offered. The "Power Switch" web site maintained by Consumer.Org. can be used to quickly calculate any savings that can be made. The Trust hope that as consumers seek better deals, the competition will become more vigorous.

The continued success story of Westpower Ltd. and the subsidiary companies is witness to the laudable performance of the directors, management and staff. On behalf of consumers, I sincerely thank them for their work.

Members of the Trust, are always available to meet with individuals and groups to explain our role and report on our efforts to make sure that a secure supply of electricity is available at an acceptable price. We also maintain a web site at www.wcept.org.nz/ for the same purpose.

Early in 2010 an election was held as required by our Trust Deed. The three trustees to retire by rotation were Ian Hustwick, David Robinson and Frank Wall. The three incumbents all put their names forward as did two other well qualified consumers. Electors showed confidence in the existing team and Ian, David and Frank were successful in the election.

Trustees in office at present are as follows

Chairman	Dom O'Sullivan M.N.Z.M.
Deputy Chairman	David Robinson J.P.
Trustees	Ian Hustwick Maureen Pugh Kevin Brown Q.S.M. Frank Wall

Dom O'Sullivan
Chairman.